

Friday August 31 1974  
59,180  
six pence

# THE TIMES

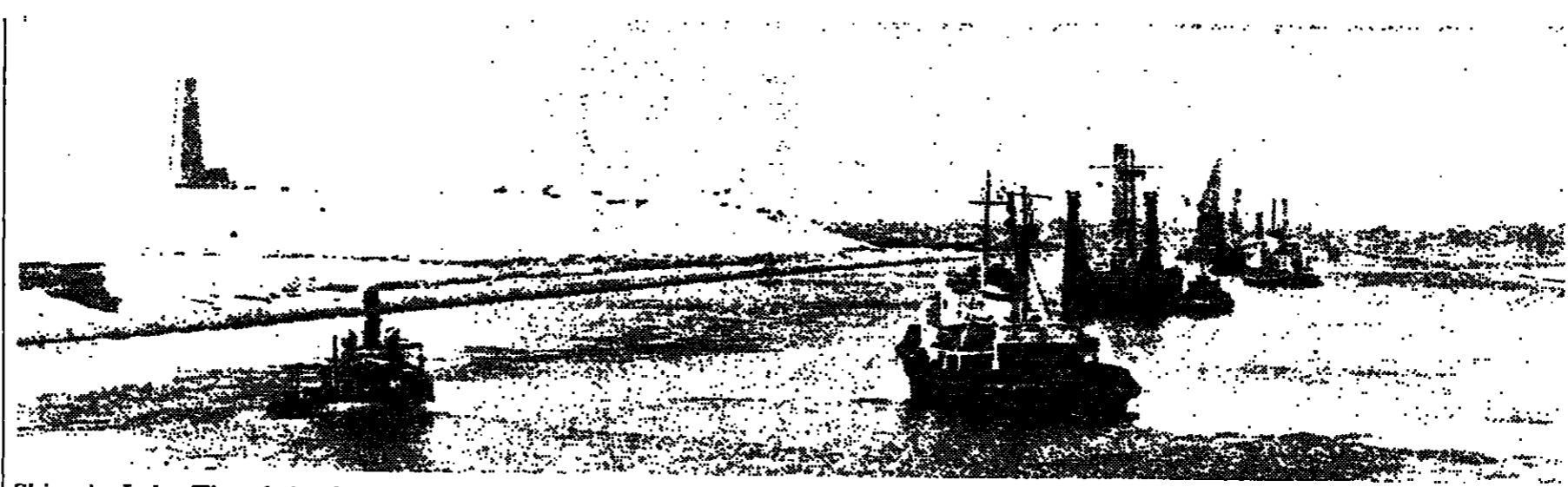
How Lord Rochester married his lady, by Graham Greene, p.8

## Government plans big rise in Ulster's part-time security forces

Government is to announce plans early next week for a big increase in the strength of the full Ulster Constabulary reserve, the regular force in the province and the part-time Ulster Defence Regiment. The reservists' force may be increased to 6,000 and many members would act as local police force operating in areas near their own homes and from more than a hundred newly-built police posts.

## UC reserve may be doubled to 6,000

Robert Fisk  
The Government will announce next week for a reserve in the strength of the full Ulster Constabulary, the regular police, and the Ulster Defence Regiment. The most ambitious part of the plan will be to double the reserve to 6,000. Mr Rees, the Secretary of State for Northern Ireland, will introduce the plan in the House of Commons on Tuesday. The plan will involve the recruitment of 3,000 new reservists who will be trained to act as local police in their own areas. The Government will also announce plans to increase the strength of the Ulster Defence Regiment from 50 to 60 and the Government will increase its strength by perhaps 3,000 to the present 7,500.



Ships in Lake Timsah in the international operation to clear the Suez Canal. Article, page 12.

## Pay restraint of social contract 'temporary', Mr Murray says

From Paul Routledge  
Labour Correspondent  
Brighton  
The commitment of the trade unions to voluntary wage restraint is only a "transitional phase" designed to pave the way for higher living standards from the end of next year, Mr Len Murray, TUC general secretary, said in Brighton. In a strong rebuttal of criticisms of the "social contract" with the Government from the National Institute of Economic and Social Research (NIESR), Mr Murray argued that the unions were better placed to estimate the value of their contribution to the economy than academic analysts. He conceded that the NIESR was "more dubious about the effectiveness and value" than the TUC, but he added: "They are taking a more detached and academic view of the collective bargaining process and we are in a better position than the national institute (for whose technical competence I have very high regard) to judge industrial relations and developments over the next 12 months".

## Leftists blamed for Tokyo death blast

Tokyo, Aug. 30.—Police were working on the assumption tonight that left-wing radicals opposed to armaments production were responsible for the bomb explosion in the city's main business district which killed seven people and injured about 300. They said they were hunting a young man in a bloodstained shirt seen fleeing by car from the scene of the explosion. The time bomb was planted beside flowers in one of two concrete pots outside the headquarters of Mitsubishi Heavy Industries in the Marunouchi business district. A company spokesman said the building's switchboard received a telephone call which sounded like the recorded voice of a young man. He said: "We have planted two bombs. This is not a joke. Watch out." Two or three minutes later, at 12.46 pm, the bomb exploded with a deafening blast heard more than three miles away. It wrecked the lobby of the building, cutting down scores of people, many of them office workers returning from lunch. The dead were badly mutilated, some bodies being torn to pieces. The injured were showered with fragments of glass from shattered windows up to nine floors above the scene, over a 100 yard radius. More than a score of ambulances took the wounded to 22 hospitals and fire engines moved in to clean up as nearly 2,000 police cordoned off the area and found a second bomb. Police said the young man

## Cruel sea upsets Thorpe tour of beaches

From Martin Huckerby  
Sidmouth  
Mr Jeremy Thorpe's hovercraft tour ended in disaster yesterday at Sidmouth, south Devon, just after he had left the craft on the last stop of his three-day tour. The £180,000 SRN6 was disabled by a wave which hit the propeller. Before anything could be done it was smashed by waves on to the steep shingle beach. The first wave struck just as the craft was turning off the beach to head away to the Isle of Wight. Mr Thorpe plunged down to help a line from the hovercraft to try to pull it in, but despite help from journalists, holidaymakers and local people, they could not stop the craft being badly battered by more four-foot waves, smashing windows and breaking open the sides. I was pulling on one rope just behind the Liberal leader and he was nearly swept into the sea by some breakers, eventually more helpers hauled the craft sideways on to the beach. As the hovercraft filled with water, Mr Thorpe and Mr John Pardoe, Liberal MP for Cornwall, North, helped the crew to salvage charts, luggage and other equipment. Mr Thorpe left the beach, the craft lay forlornly in the shingle, its sides broken in and its passenger accommodation filled with water. Despite his exertion and although soaked, Mr Thorpe was undaunted. "We are going to get another hovercraft on Monday for our tour of the south coast", he said. "This is a great British machine. If the British hovercraft has any future, then we must continue to use it." A crew member explained that a wave had struck one of the blades of the propeller at the rear of the craft. One blade was bent by the water and thus the craft lost power. Captain Antony Brindle, who was in charge of the tour, thought the craft was not a total loss. Only the crew and Captain Brindle and his family were on the hovercraft when the accident happened. They all scrambled off safely, although Mrs Doreen Brindle was rather shocked. Mr Michael Beer of HMS Raleigh, at Torpoint, Plymouth, who was helping on the beach, was slightly hurt when hit by a cable. This dramatic end to the tour, watched by hundreds of holiday-makers, was a day of campaigning in a downpour. A damp but undeterred Mr Thorpe had visited several south Devon resorts with his wife, Marion, both wearing yellow oilskins. Wet and bedraggled, as Mr Thorpe was to become later—people turned out in hundreds, huddling under umbrellas to hear him speak. Mr Thorpe said at Torbay that the Conservative plan to hand out perhaps £240m to shore up the building societies was "callous and foolish proposal". He had earlier welcomed Mrs Thatcher's conversion to Liberal views on the subject of rates, but yesterday he termed her ideas about mortgages "vote-gathering nonsense". The housing situation was extremely grave, but he believed that indiscriminate subsidies were not the answer.

## Poll shows more against state control

Most people are opposed to any widespread extension of nationalization, a survey commissioned by the Confederation of British Industry, states. The survey, conducted by National Opinion Poll Market Research, showed a 62 per cent rejection of the view that "it is in the country's interest that big industries should be nationalized". Some 25 per cent are said to support the view, and 12 per cent have no opinion. During the survey 1,893 people were interviewed. Their names were drawn from the electoral register in 100 constituencies. The number against the extension of nationalization is rising. "The total percentage opposing it—62 per cent—is higher than at any time since the pollsters started putting the question in this form in 1969", the CBI said.

## Mr Healey's faith in TUC pay guidelines

By Michael Hatfield  
Political Staff  
Mr Healey, the Chancellor, speaking on the eve of the TUC annual conference, said yesterday that "an incomes policy of a statutory nature cannot work in the long run and we need a long-run solution". His comments noticeably left him elbow room to bring in a pay policy in the coming months, if economic circumstances and wage increases demonstrably show they are throwing the Government's counter-inflation policy into ruin. Mr Healey made his comments on Independent Television's First Report programme when he was questioned about the gloomy report on the economic situation by the National Institute of Economic and Social Research. The Chancellor said the report had emphasized the need for the present "social contract" to be given a year to prove itself. "They are quite right in believing that one key issue will be the keeping of wage increases within the guidelines laid down by the TUC," he said. "If working people do accept those guidelines, then we have the problem of inflation practically licked. Instead of printing money to cover every problem, we must try to raise the money by revenue to cover our expenditure. That is what we have been doing this year, and that is why inflation is just beginning to fall, whereas in France it is rising." He added: "It is essential to get international cooperation to prevent a world slump. The most fatal thing would be to try to deal with the problem of inflation by creating unemployment. It would be a criminal waste of human resources to do it." Continued on page 2, col 6

## Chinese return to major athletics and swimming

Rome, Aug. 30.—China's return to international sport advanced another step today with decisions taken here and in Teheran that will allow Chinese athletes and swimmers to compete against those of other countries. The Asian Games, which start on Sunday in Teheran, will therefore see the first appearance of Chinese athletes and swimmers at a major international sports meeting since 1956. It was the congress of the International Amateur Athletics Federation (IAAF) in Rome that opened the door for

## UC firm's licence stopped

Hill Aviation Authority last night that it had ordered the firm to stop its air travel organization held by Caribbean Travel. It said in a statement that it was not the company's arrangements were under the terms of its licence it held.

## New York harbour pilot 'stranded' on the QE-2

From Our Correspondent  
Southampton  
Mr John Cahill, a New York harbour pilot, was only meant to take the superliner QE-2 out to sea. But yesterday—five days and 3,000 miles later—he was stranded on the liner in Southampton. The pilot cutter that was to pick him up from the giant Cunarder at the Ambrose Light was diverted to help a Greek tanker. The QE-2 sailed on. The 40-year-old American travelled first class, and since the liner was full, he slept in the Master's sea-room. The only belongings he had with him was a toothbrush. When Mr Cahill arrived at Southampton, he was permitted to land without a passport, and Cunard took him by car to London Airport, where he caught a New York bound jet after only four hours in Britain.



Mr Cahill: Just a toothbrush.

## Accused United supporters to stay in jail

From David Cross  
Brussels, Aug. 30  
Six young Manchester United supporters, who have been in a Belgian jail since the beginning of the month, were again remanded in custody at Bruges today. The six, whose ages range from 18 to 23, were arrested in Ostend on August 3 during incidents shortly before United defeated the local football team in a friendly match. They are accused of causing damage totalling £2,000 to cars and other property. Today's decision by an examining magistrate officially remands them in custody for a further month. But a court official said after the hearing that they will probably stand trial next week. He told an earlier court hearing that the six could be released on bail if the British consul in Ostend paid for the damage.

## The rest of the news

- Public order: Tory MPs suggest civilian volunteer force to help the police 2
- Pop festival: Police and Army in dispute over use of barracks at Windsor 2
- Railway pay: New deal will give up to £80 a week to some men 3
- Football: Mr Howell asks supporters to behave well 3
- Oil funds in City: Warning that Arab states may seek control of key companies 3
- West Germany: Chief whip suspended over secret fee allegations 4
- France: Poll shows drop in M Giscard's popularity 4
- South Africa: Mr Vorster discounts danger of clash with Mozambique 4
- Space: Soyuz 15 might land; Soyuz said to be part of flight plan 5
- Sporting violence: Ion Trewin on the making of a new film in Munich 9
- George Hutchinson: Bad luck and bad management in the Tory Party 12
- Sportview: Fun and games on a slow boat to Australia 12
- Motors: Vauxhall returns loss of £10m for first half of year 15
- Finance: US banks warned on prospects for Italian loans 15
- Malaysia: Six-page special report
- Appointments 14
- Overseas 4, 5
- Arts 9
- Obituary 14
- Science 14
- Business 15-19
- Services 14
- Church 14
- Court 14
- Sport 5-7
- Crossword 22
- TV & Radio 10
- Engagements 14
- Theatres 9, 10
- Features 8-12
- Gardening 11
- Travel 11
- Letters 13
- 25 Years Ago 14
- News 2
- Weather 2
- European 4
- Wills 14
- Home 2, 3

## Queen to Mexico February

The Queen and the Duke of Edinburgh will make a state Mexico from February 28 next year, it was announced from Buckingham Palace yesterday. It will be the Queen's first visit to Mexico, but the Duke of Edinburgh has been there three times.

## Greek Cypriot civil war feared after ambush

From Our Correspondent  
Nicosia, Aug. 30  
Unknown gunmen today tried to murder Dr Vassos Lyssarides, the Greek Cypriot leader of the United Democratic Union of the Centre (EDEK), and a militant supporter of Archbishop Makarios III, creating fresh fears that the Greek Cypriot community of the already war-ravaged island might be plunged into fratricidal strife. Dr Lyssarides, who is 53, was only slightly wounded by flying glass from the rear window of the car in which he was travelling, but Mr Doros Loizou, secretary of the socialist youth movement, who was driving, was killed instantly. Mrs Loizou, an American by birth, was wounded slightly. A Greek Cypriot passer-by was also killed and another wounded. Eye-witnesses said four gunmen had been waiting in ambush in a parked car at a busy crossroads just 200 yards from Dr Lyssarides's office at the centre of Nicosia. As the doctor's car drove past them, the gunmen poured a hail of bullets into the small Japanese car in which Dr Lyssarides was being driven. Talking to reporters in a bloodstained shirt soon after, Dr Lyssarides said the gunmen were members of the right-wing Eoka B underground, who together with pro-junta Greek Army officers in Cyprus, had long been an outspoken critic and opponent of the military junta ruling Greece and its Eoka B supporters. Dr Lyssarides came out of hiding two weeks ago to lead a campaign for the return of the Archbishop to Cyprus and "the restoration of the constitutional order". After today's attack Dr Lyssarides was rushed to hospital. Mr Michael Dountas, the Greek Ambassador, later personally escorted Dr Lyssarides to the Greek Embassy, where the doctor was still reported to be sheltering early in the evening. He had told reporters that he had asked for police protection

## Fine for Nixon sign payments

Land, Aug. 30.—Mr Nixon's board of directors of the American Shipbuilding Company of Lorain, Ohio, fined \$15,000 (about today for making illegal contributions to President Nixon and his Congressmen.—AP.

HOME NEWS

Tory MPs propose volunteer civilian force to help police

By Christopher Walker
Proposals for the establishment of a new civilian volunteer force to assist the police...

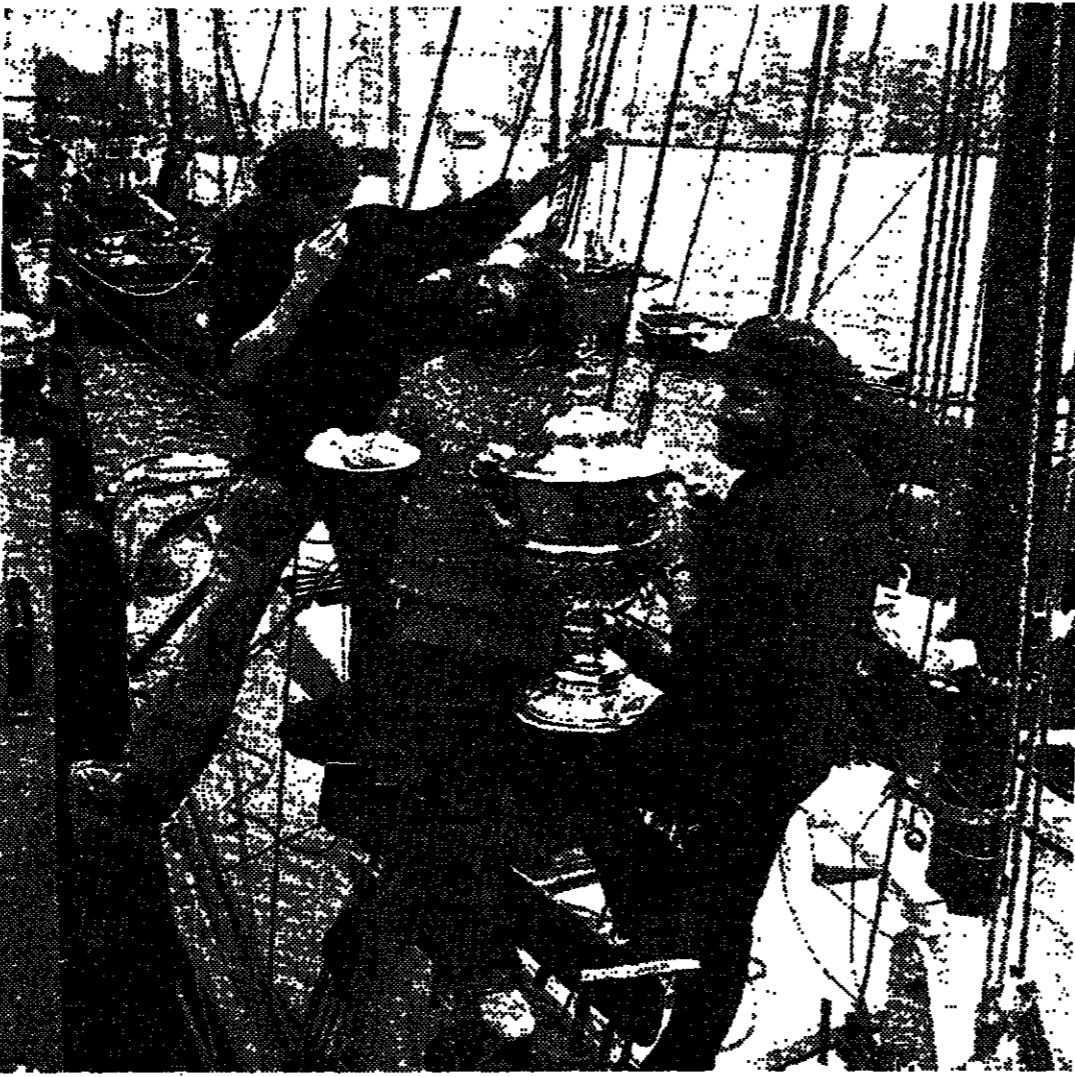
Army turns 'pop prisoners' out of barracks in dispute with the police

By Michael Horsnell
A clash involving the police and the Army over the use of Combermere barracks, Windsor, for the detention of people arrested on Thursday...

Yesterday, Windsor was peaceful and the extra police drafted in to keep watch during the night were not disturbed...

Hospital intruders may catch smallpox

Intruders who broke into Long Reach Isolation Hospital, Dartford, Kent, on Friday of last week, should see a doctor immediately for vaccination against smallpox...



The crew of Shamrock (Captain Brian Thomas), winners of the annual Thames Oyster Smack Race from Gravesend yesterday, celebrating with oysters after their arrival at Billingsgate.

Court Line liquidators kill plan to return holidaymakers' cash

By Diana Geddes and Maurice Corina
Hopes that the liquidators of the Court Line travel companies and the travel trade could work out a scheme to return advance payments to disappointed holidaymakers...

Mr Powell's 'candidacy' remains a mystery

From Robert Fisk Belfast
After an unpublicized meeting with local unionists in an hotel in Co Down, Mr Enoch Powell returned to England from Northern Ireland last night...

Four for trial on explosions plot charge

From Our Correspondent Manchester
The courtrooms at Manchester Magistrates' Court were locked yesterday when two Irishmen and two sisters were sent for trial at Manchester Crown Court accused of conspiring to cause explosions...

Mr Healey's inflation confidence

Continued from page 1
The "social contract" is to be debated at the TUC the day before Mr Wilson addresses the conference, and although little discussion is expected the attitude of the Amalgamated Union of Engineering Workers is crucial...



Advertisement for the Hilton hotel in Kuala Lumpur, Malaysia. It describes the hotel as 'the most spectacular' and lists amenities like a swimming pool, health club, and restaurant.

Drink offence penalties of little value, report says

Penalties imposed by magistrates for alcohol-related offences have little or no deterrent value, a report based on London suburban court cases dealt with over one year, states today.

Weather forecast and recordings

Weather forecast and recordings section. Includes a map of the UK with pressure systems, a table for 'Today' and 'Tomorrow' weather, and a '30-day forecast'.

Woman hurt in chemical plant explosion

A woman was slightly hurt when a gas leak caused an explosion yesterday at a chemical plant producing polyethylene for the plastics industry.

Three animal lovers admit arson, police allege

Magistrates at Bicester, Oxfordshire, were told yesterday that three men, all animal lovers, had admitted causing damage and arson to several animal vivisection establishments in Britain since November last year.

HILTON INTERNATIONAL logo and contact information at the bottom of the page.

HOME NEWS

Railmen could earn up to £80 a week in new pay settlement

Raymond Perman, general secretary of the Railmen's Union, says that the new pay settlement could mean an increase of up to £80 a week for some railmen.

Prices for cattle are near to collapse

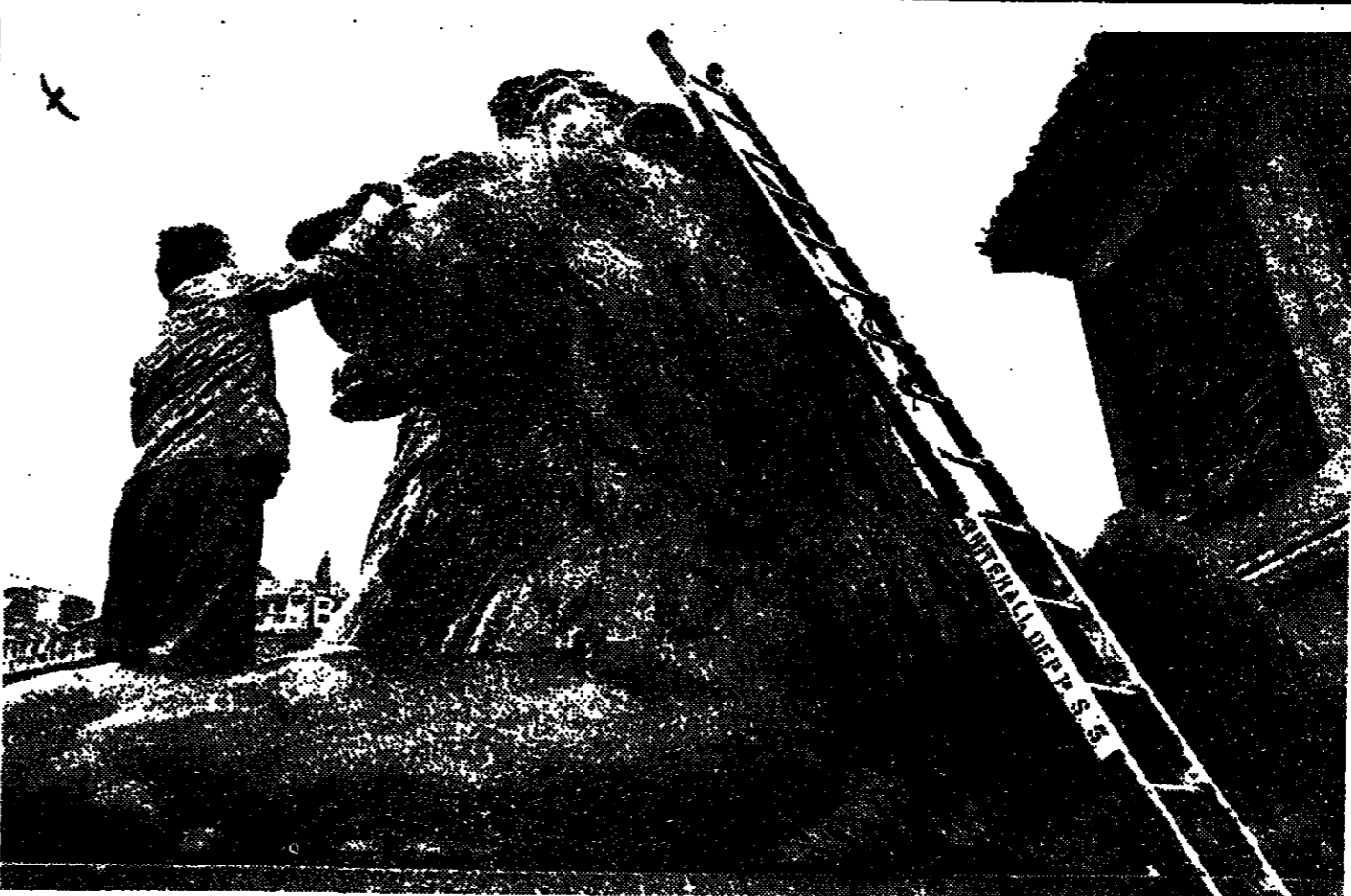
By Our Agricultural Correspondent. Derisive prices for new-born calves, one of which sold for 2p in Yorkshire earlier this week, are symptomatic of what looks like a near-collapse of the market.

Arab control of key British firms feared

Mr Robertson has expressed his fears to Liberal leaders in London. He believes that some Arab states may have already started seeking control of British companies whose market value has been depressed by recent collapses on the Stock Exchange.

Mr Howell appeals to football supporters to behave calmly

By Clive Borrell. Mr Howell, Minister of State for Sport and Recreation, appealed to football supporters yesterday to act responsibly in an attempt to reduce violence on the terraces and outside grounds.



One of Landseer's lions in Trafalgar Square, London, showing royal disdain yesterday for the mere humans from the Department of the Environment who are using oily rags to clean him.

Universities face unrest over rent rises

By Tim Devlin, Education Correspondent. Large rent increases for students in halls of residence are likely to cause trouble in universities and colleges when term begins in October.

Unions meet to ensure united front at Brighton

From Our Labour Correspondent. Union leaders meet this morning to work out acceptable compromises on three policy issues that threaten the politically crucial unity of next week's annual Trades Union Congress at Brighton.

Patient was 'dumped' in streets, his story told

Our Correspondent. Mr Evans, aged 37, who is discharged from a mental hospital after 15 years as a patient, was 'dumped' on the streets of Huddersfield.

Company told to pay rates for service it does not get

From Arthur Osman, Solihull. A distress warrant was issued by magistrates at Solihull, West Midlands, yesterday in a rating case which in one aspect was the first to be heard since the national rates controversy started earlier this year.

The Water Authority (Collection of Charges) Order, 1974, distinguishes between a water supply charge and a general services charge.

Mr John Trentham, a solicitor who had been retired for 15 years, took out a practising certificate from the Law Society to defend a summons he had received.

Mr Francis Becker, of the National Union of Students (NUS), regards this as a test case. Rent strikes at the universities of Sussex and Kent have continued since January and the authorities are beginning to act severely.

Mr Robert Beaumont, secretary of the Maria Colwell memorial fund, is to stand as an independent parliamentary candidate for Brighton Kempston ward held for the Conservatives by Mr Andrew Bowden with a majority of 4,020.

Kidney flown in

A charter plane carried a kidney for a transplant operation from Heidelberg in Germany to Liverpool yesterday.

Navy's museum ship hit by minesweeper

The minesweeper, HMS Brinton, and the museum ship, HMS Belfast, were slightly damaged in a mishap on the Thames near Tower Bridge yesterday.

The barrows and bustle of London's fruit and flower market are coming to a close after 300 years

Farewell festival for Covent Garden

By Diana Geddes. From tomorrow a week-long street carnival in Covent Garden, arranged as a farewell to the fruit and vegetable market, will be adding to the chaos and the local colour of the heavily congested and tradition-encrusted area.

At present the market is crammed on to an eight-acre site with perhaps an additional 17 acres of street space. About 4,000 tons of produce is handled every day by more than 3,500 men.

Earlham Street will be closed to traffic and devoted to children's events with inflatable toys, games, a zoo and stalls to get out. On the First Night Bookshop in Henrietta Street.

Man in 'lump' case freed on bail of £23,000

Timothy Slattery, aged 29, one of four Irishmen in a 'lump' case was released on bail of £23,000 at Bow Street Magistrates' Court yesterday.

WINSTON 32p for twenty

Advertisement for Winston cigarettes, featuring a pack of cigarettes and the text 'Another quality product from Gallaher' and 'EVERY PACKET CARRIES A GOVERNMENT HEALTH WARNING'.

Wife poured boiling oil over husband

A wife poured boiling oil over her husband as he slept in front of the television set and scarred him, burning his face, neck, chest and legs.

Mr Williams was watching television but had become bored and fallen asleep. His wife went into the kitchen, boiled a pan of cooking oil and threw it over him, burning his face, neck, chest and legs.

Iron posts found

Archaeologists working at St. Paul's Field, Huddersfield, have discovered evidence of the period of Roman occupation. They have found timber from a military fort built in the middle of the first century.

WEST EUROPE

Chief whip suspended in Bonn over secret fee allegations

From Dan van der Vat Bonn, Aug 30 Herr Karl Wienand, parliamentary chief whip of West Germany's ruling Social Democratic Party was today suspended from his duties as whip until a series of allegations of misconduct against him are cleared up...



M René Saint Paul, a photographer on the staff of 'Combat', looks at the newspaper's last issue, in front of its building in Paris, yesterday.

Rush to buy last issue of 'Combat'

From Our Own Correspondent Paris, Aug 30 There was a great crush of sympathy and regret as the final number of Combat, the last Paris daily newspaper to survive from the liberation...

Brandt office was warned before spy's appointment

Bonn, Aug 30—General Gerd Wessel, head of West Germany's intelligence services in evidence today that he had suggested that special precautions be taken by the Government before employing Herr Günter Guillaume in the office of Herr Willy Brandt...

Dutch newspaper forced to close after 129 years

From Our Correspondent The Hague, Aug 30 Failure has met the first attempt in Holland to preserve the diversity of the national daily press by giving Government subsidies to finance reorganization of newspapers threatened by closure...

Talks on ailing EEC economies open in Italy

From Peter Nichols Bellagio, Aug 30 Lake Como provided the background tonight to the talks between Dr Helmut Schmidt, the West German Chancellor, and Signor Mariano Rumor, the Italian Prime Minister...

OVERSEAS

Mr Vorster discounts danger of clash with Mozambique

From Michael Knipe Cape Town, Aug 30 Mr Vorster, the South African Prime Minister, today discounted the prospect of a confrontation between South Africa and an independent Mozambique...

Sikkimese fears of losing identity

From Michael Hornby Delhi, Aug 30 The Constitution Amendment Bill which provides for the political and economic "association" of Sikkim with the Indian Union, will be submitted to Parliament...

Mr Ford urges closer link between college and work

From Our Own Correspondent Washington, Aug 30 President Ford said this morning that he wanted "to bring the world of work and the institutions of education closer together"...



Narrow escape: Dr Vassos Lyssarides, a Greek Cypriot political leader, is congratulated by supporters after escaping alive from a gunman's ambush. The driver of his car was killed.

The Treblinka legacy

The appalling scenes at the Nazis' Treblinka extermination camp left long legacies. Tomorrow, The Sunday Times concludes the serialization of Gitta Sereny's account of the "final solution" by publishing her candid interview with Theresa Stangl, the wife of the former commandant...

President's wish to meet allies pleases London

By Our Diplomatic Staff President Ford's statement on Thursday night that he intends to meet allied leaders as soon as it was mutually convenient, was welcomed in London yesterday...

Chaos as Italians fight new pasta prices

From Patricia Clough Rome, Aug 30 Chaos reigned in many Italian supermarkets and grocery shops today after confusing and contradictory announcements about increases in the price of pasta...

Britons cut off by Turkish advance

Nicosia, Aug 30—Turkish troops today pushed their lines forward about 100 yards on the green line dividing the two communities in Nicosia until they came within shouting distance of the British High Commission building...

Delay in EEC proceedings against Belgium

Brussels, Aug 30 The opening of legal proceedings by the European Commission against the Belgian Government for an alleged breach of Community rules is being held up by Mr Henri Simonet, the Commissioner for Energy and former Belgian Economics Minister...

Poll shows drop in M Giscard's popularity

From Richard Wigg Paris, Aug 30 President Giscard d'Estaing's success as viewed as the first 100 days of the French people, according to a Sofres public opinion poll published in Le Figaro today...

Turkey appeals to Greece to avoid bloodshed

From Our Correspondent Ankara, Aug 30 President Koruturk of Turkey, today called on Greece "not to allow the bloody tragedy prepared by the outside world to be performed on Turkish and Greek territory"...

UN calls on all Cypriots to help the refugees

New York, Aug 30—The United Nations Security Council today approved a resolution on relief for refugees in Cyprus. The council's vote on the resolution, jointly sponsored by Britain, France and Austria, was unanimous...

Handwritten text at the bottom of the page: صكذنا الاصل

سورة الاحقاف

OVERSEAS



body lies in a Tokyo street after an explosion yesterday outside the Mitsubishi headquarters.

Soyuz 15 night landing said to be part of regular flight plan

Moscow, Aug 30.—The head Soviet cosmonaut training camp today said that the night landing of Soyuz 15 was part of a regular flight plan and not a stunt. The night landing was reported to have taken place on the day of a regular flight plan and not a stunt. The night landing was reported to have taken place on the day of a regular flight plan and not a stunt.

Urgent aid promised to Ethiopia drought area

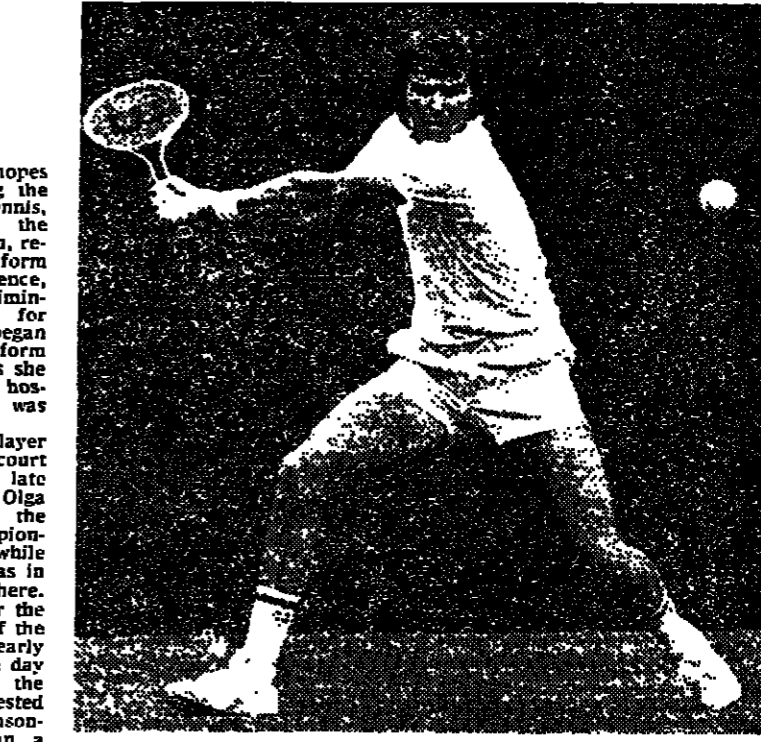
Addis Ababa, Aug 30.—The Wollo province of Ethiopia where more than 100,000 people have starved to death, has been declared a disaster area and is to be placed under martial law, it was announced here today. The announcement came from Colonel Tessema, the deputy commissioner of the anti-drought committee, who explained that drastic measures were now needed.

SPORT Puttemans out of Belgian team

From Neil Allen Athletics Correspondent Rome, Aug 30. Emiel Puttemans, potentially the rival of Britain's Brendan Foster for the European 5,000 metres title here on September 8, will not be with the Belgian team when they meet in London tomorrow and has no chance of competing in these championships. Puttemans stopped running after 2,200 metres suffering from what has been described as "a psychological crisis".

Tennis Rain and Red Indian blood save the day

From Rex Bellamy Tennis Correspondent New York, Aug 30. Thanks to rain and the tenacity of a huge young man with Red Indian blood, Wimbledon champion Jimmy Connors' prospects of winning the United States Open seemed to take a turn for the better at Forest Hills today. Connors' opponent was stricken with gastro-enteritis last Sunday and was not asked to play on the first day here. He never went on in action yesterday. But the programme was interrupted by rain and the main stadium was occupied for a long time by a match in which Bjorn Borg, champion of Italy and France, beat Victor Amaya 6-4, 6-3, 6-3.



A turn for the better. Connors has an extra day in which to pick up—no least his confidence—after his sickness.

Tribesmen kill 14 policemen

Baluchistan Our Correspondent Ipindi, Aug 30. Tribesmen were reported to have killed 14 policemen in an exchange of fire on the day of a tribal meeting in Quetta. The tribesmen were reported to have killed 14 policemen in an exchange of fire on the day of a tribal meeting in Quetta.

Sharp exchanges over the destination of homes replaced by a network of expressways

New York criticism of the car invasion From Peter Strafford New York, Sept 1. New Yorkers have found a new controversy for the autumn, and one that contains the ingredients that fascinate them most—power, money and a forceful personality. It centres on Mr Robert Moses, a man who for many years had been the driving force behind the physical development of New York and, ultimately, many other American cities.

Intrepid beats Courageous in eighth race

Newport, Rhode Island, Aug 29.—Intrepid defeated Courageous in the third successive time today in final trials to pick the United States defender of the America's Cup. Intrepid made up an early deficit and won the race by 54sec over Courageous.

Superiority of French 505 competitors confirmed

By John Nicholls There were no changes in the leading overall places as a result of the final race in the 505 class national yachting championship at Felixstowe yesterday. Marcel Buffet and Thierry Moreau of France confirmed their superiority over the British fleet by finishing the race in 10m 45sec.

French girls soon show their best form

Lucerne, Switzerland, Aug 30.—Francoise Whitbread and Catherine Chollet, of France, dominated the repechage to reach the semi-finals of the double sculls on the second day of the first women's world rowing championships here today.

New Zealand position under cautioned

Wellington, Aug 30.—Mr Muldoon, the New Zealand Opposition Leader, has warned against making statements about "clouds" over the transcript of a meeting with Sir Angus Sharp, New Zealand Police Commissioner, who was warned that people were only too willing to take court action.

2,000 Kurdish refugees shelter in Iran

Our Correspondent Tehran, Aug 30. Although good organization order are apparent in the Iranian Red Lion and White Tiger camps, the story is not very different from the usual accounts of such camps—children at parents, young brides to husbands and old men and women being looked after by their families.

Recreation is firmly ahead on last stage

The Rochelle, France, Aug 30.—The last stage in the Half Ton Cup, the world championship of offshore racing for medium-sized yachts, began here today with the French boat Recreation firmly in the lead.

End of lean spell for Heath

Mr Heath's Morning Cloud was successful in a Class yesterday at Burnham and after a lean spell this augurs well for his prospects for the Town Cup tomorrow. A Class provided the finest finish of the week when three boats went over the finish line almost together.

Swimming Smith gains third title on fifth day

The swim by Dean Smith, of Coventry, in the boys' 16-17 years 800 metres free-style, on the fifth day of the national age group championships sponsored by Green Shield at Leeds, gave him his third title of the championship.

Baseball

AMERICAN LEAGUE: Boston Red Sox 3, Chicago White Sox 2. National League: New York Mets 6, Philadelphia Phillies 3. St. Louis Cardinals 7, Montreal Expos 2. St. Louis Cardinals 3, Cincinnati Reds 2. Chicago Cubs 1, Los Angeles Dodgers 0.

Canadian competes at Crystal Palace

Joe Sax, the Canadian 3,000 metres steeplechase record holder, has accepted an invitation to compete in the international athletics meet sponsored by Coca Cola at Crystal Palace, on September 13.

Kitchen wants to quit

The Somerset opening batsman, Mervyn Kitchen, has asked the county to terminate his contract so that he can take a post outside the county. Kitchen has scored more than 12,000 runs. His contract has another year to run.

Thomas out of squad

Rod Thomas (Derby County) withdrew yesterday because of a groin injury from the Welsh squad to play Austria in Vienna on Wednesday. His place has been taken by Phil Roberts (Plymouth).

First appearance

Peter The Great, two-year-old half-brother to the St Leger favourite, Bustino, makes his first racecourse appearance in Kemps Chase at Chertsey on Wednesday (Div 2). The colt cost 13,500gns as a yearling.

Bustino backed

Corats report further heavy backing for Bustino in the St Leger and have cut his odds from even to 4-5. Other prices: 3-1 Giacometti, 10-1 Straight as a Die.

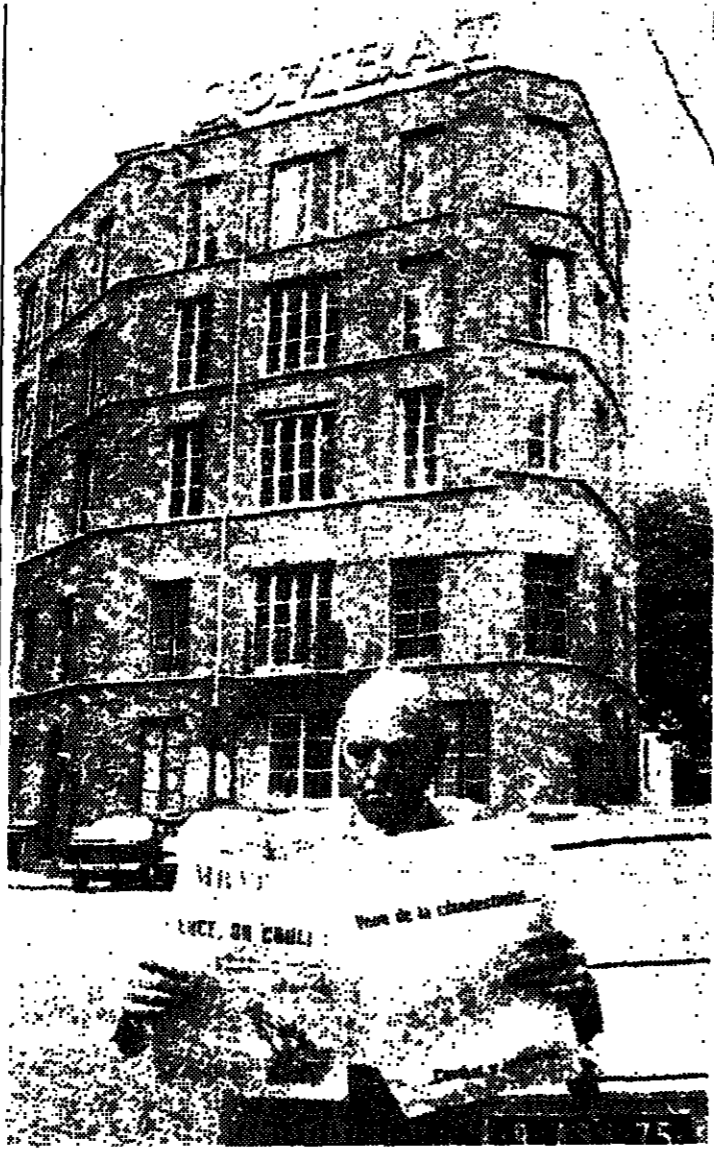
Harlequins sevens

The draw for Harlequins' seven-a-side rugby tournament next Saturday is: Harlequins v Public School Wanderers, 7.30pm; Gloucestershire v Gloucester, 7.30pm; Bath v Bath, 7.30pm; Bath v Bath, 7.30pm; Bath v Bath, 7.30pm.

WEST EUROPE

Chief whip suspended in Bonn over secret fee allegations

From Dan van der Vat Bonn, Aug 30... Herr Karl Wienand, parliamentary chief whip of West Germany's ruling Social Democratic Party was today suspended from his duties as whip until a series of allegations of misconduct against him are cleared up.



M René Saint Paul, a photographer on the staff of "Combat", looks at the newspaper's last issue, in front of its building in Paris, yesterday.

Rush to buy last issue of 'Combat'

From Our Own Correspondent Paris, Aug 30... There was a great onrush of sympathy and respect as the final number of Combat, the last Paris daily newspaper to survive from the liberation, appeared in the kiosks this morning.

only 2,437 copies—were immediately sold out and a second edition of 30,000 copies had to be printed. It was certainly for the principle that purchasers each paid willingly 1 franc (10p) because there was no news at all.

Brandt office was warned before spy's appointment

Bonn, Aug 30.—General Gerhard Wessel, head of West Germany's intelligence service, said in evidence today that he had suggested that special precautions should be taken by the Government before employing Herr Günter Guillaume in the office of Herr Willy Brandt, when he was Chancellor.

Dutch newspaper forced to close after 129 years

From Our Correspondent The Hague, Aug 30... Failure has met the first attempt in Holland to preserve the diversity of the national daily press by giving Government subsidies to finance re-organization of newspapers threatened by closure.

The Treblinka legacy

The appalling scenes at the Nazis' Treblinka extermination camp left long legacies. Tomorrow, The Sunday Times concludes the serialization of Gitta Sereny's account of the "final solution" by publishing her candid interviews with Theresa Stangl, the wife of the former commandant, Richard Glazar, a survivor to whom keeping alive became a fine art, and Horst Munzberger, the son of a notorious gas chamber guard who now has to live both with his family and with the memory.

Delay in EEC proceedings against Belgium

Brussels, Aug 30... The opening of legal proceedings by the European Commission against the Belgian Government for an alleged breach of Community rules is being held up by Mr Henri Simonet, the Commissioner for Energy and former Belgian Economics Minister. He has asked for more time to consider the Commission's case against the Belgian authorities, which involves the purchase of some 3,500 train coaches for the country's rail network.

President's wish to meet allies pleases London

By Our Diplomatic Staff... President Ford's statement on Thursday night that he intends to meet allied leaders as soon as it was mutually convenient, was welcomed in London yesterday.

Chaos as Italians fight new pasta prices

From Patricia Clough Rome, Aug 30... Chaos reigned in many Italian supermarkets and grocery shops today after confusing and contradictory announcements about increases in the price of pasta.

Poll shows drop in M Giscard's popularity

From Richard Wigg Paris, Aug 30... President Giscard d'Estaing's first 100 days are viewed as a success by 46 per cent of the French people, according to a Sofres public opinion poll published in Le Figaro today.

The French people remain highly sceptical—51 per cent had no confidence in the efficacy of the anti-inflationary programme of M Jean Pierre Fourcade, the Economics Minister, and 72 per cent feared "serious risks of unemployment" in the coming months.

OVERSEAS

Mr Vorster discounts danger of clash with Mozambique

From Michael Knipe Cape Town, Aug 30... Mr Vorster, the South African Prime Minister, today discounted the prospect of a confrontation between South Africa and an independent Mozambique.

Mr Ford urges closer link between college and work

From Our Own Correspondent Washington, Aug 30... President Ford said this morning that he wanted "to bring the world of work and the institutions of education closer together."

Sikkimese fears of losing identity

From Michael Hornsby Delhi, Aug 30... The Constitution Amendment Bill which provides for the political and economic "association" of Sikkim with the Indian Union, will be submitted to Parliament on September 2 and put to the vote the next day, Mr K. V. K. Murthy, Sikkim's Minister, said today.



Narrow escape: Dr Vassos Lyssarides, a Greek Cypriot political leader, is congratulated by supporters after escaping alive from a gunman's ambush. The driver of his car was killed.

Britons cut off by Turkish advance

Nicosia, Aug 30.—Turkish troops today pushed their lines forward about 100 yards on the green line dividing the two communities in Nicosia until they came within shouting distance of the British High Commission building.

Turkey appeals to Greece to avoid bloodshed

From Our Correspondent Ankara, Aug 30... President Koruturk of Turkey, today called on Greece "not to allow the bloody tragedy prepared by the outside world to be performed on Turkish and Greek territory."

Turkey appeals to Greece to avoid bloodshed

From Our Correspondent Ankara, Aug 30... President Koruturk of Turkey, today called on Greece "not to allow the bloody tragedy prepared by the outside world to be performed on Turkish and Greek territory."

UN calls on all Cypriots to help the refugees

New York, Aug 30.—The United Nations Security Council today approved a resolution on relief for refugees in Cyprus. The council's vote on the resolution, jointly sponsored by Britain, France and Austria, was unanimous.

SPORT

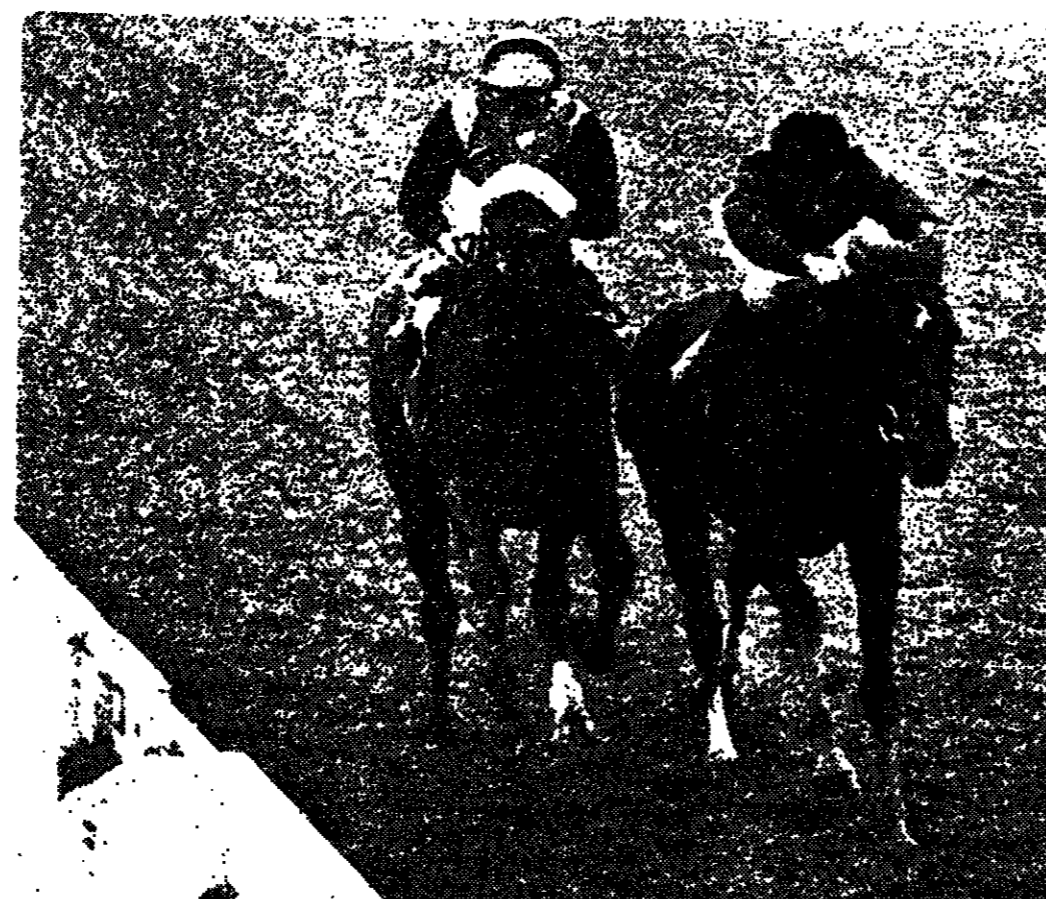
Cry of Truth can cope with Panomark and longer distance

Michael Phillips and Correspondent. Two year olds dominate the scene at all the major meetings in England today. After Cry of Truth had won the Lower stakes...

pattern of racing in this country, and thus accorded official status. Although the cry was early days, this is I think nothing less than a cry for a share in a good two-year-old race...

Today, the Burmah Castrol Company have taken the seat vacated by Lex Garages and their sponsor, who has been replaced by the presence of Roussalka already hailed as one of the most important horses of the year...

the Wild Boar Inn and Abbots 1200 Nursery is the true meaning of the programme at Chester...



Pat Eddery steers Flaming Peace (right) to victory in the Euclid Nursery Stakes at Kempton Park yesterday.

last two months of the 1974 season promises to have all on our toes. Eddery first won the Euclid Nursery on Flaming Peace yesterday—much to my relief and that of my fellow partners in this courageous filly—in spite of the fact that he dropped his whip at what might have been a crucial moment a furlong from home...

Walwyn's sixty-fourth winner in this country this season. We will know more after this weekend about whether or not English Prince, his winner of the Irish Sweep Derby, will run in the St. Ledger.

Wester programme

Television (IBA): 1.30, 2.0 and 2.30 races

CROWN PLUS TWO CHAMPIONSHIP (E803: 14m 85yds)

Table listing horse names, jockeys, and odds for the Crown Plus Two Championship race.

ELGRAVE HANDICAP (3-y-o: E927: 14m 65yds)

Table listing horse names, jockeys, and odds for the Elgrave Handicap race.

WILD BOAR AND ABBOTS WELL HANDICAP (2-y-o: E268 5f)

Table listing horse names, jockeys, and odds for the Wild Boar and Abbots Well Handicap race.

INENAL STAKES (2-y-o: E596: 6f)

Table listing horse names, jockeys, and odds for the Inenal Stakes race.

AUTUMN HANDICAP (E688: 7f)

Table listing horse names, jockeys, and odds for the Autumn Handicap race.

ARADISE STAKES (3-y-o: E568: 7f 12yds)

Table listing horse names, jockeys, and odds for the Paradise Stakes race.

KEYLOCK JUVENILE HURDLE (E204: 2m)

Table listing horse names, jockeys, and odds for the Keylock Juvenile Hurdle race.

OTHELLO STEEPLECHASE (Handicap: E374: 2 1/2m)

Table listing horse names, jockeys, and odds for the Othello Steeplechase race.

Kempton Park programme

Television (BBC 1): 2.0, 2.30, 3.0 and 3.30 races

1.30 CHERTSEY LOCK STAKES (Div I: 2-y-o maidens: E794: 7f)

Table listing horse names, jockeys, and odds for the Chertsey Lock Stakes (Div I) race.

2.0 CHERTSEY LOCK STAKES (Div II: 2-y-o maidens: E792: 7f)

Table listing horse names, jockeys, and odds for the Chertsey Lock Stakes (Div II) race.

2.30 TEDDINGTON HANDICAP (E2116: 1m)

Table listing horse names, jockeys, and odds for the Teddington Handicap race.

3.0 BURMAH CASTROL STAKES (2-y-o fillies: E2410: 6f)

Table listing horse names, jockeys, and odds for the Burma Castrol Stakes race.

3.30 EGHAM HANDICAP (E1337: 6f)

Table listing horse names, jockeys, and odds for the Egham Handicap race.

4.0 SUNBURY CROSS HANDICAP (E892: 1m 3f)

Table listing horse names, jockeys, and odds for the Sunbury Cross Handicap race.

Kempton Park selections

Our Racing Correspondent. 2.30 Pave the Way. 3.0 ROUSSALKA is specially...

2.0 (2.4) TANDIERS STAKES (E513: 2m)

Table listing horse names, jockeys, and odds for the Tandiers Stakes race.

4.0 (4.5) ARION HANDICAP (3-y-o: E201: 1m)

Table listing horse names, jockeys, and odds for the Arion Handicap race.

5.0 (5.1) SIRENIA PLATE (2-y-o: E621: 6f)

Table listing horse names, jockeys, and odds for the Sirenia Plate race.

Ripon programme

Television (IBA): 1.45, 2.15 and 2.45 races

1.45 RIPLEY HANDICAP (3-y-o: E714: 1m)

Table listing horse names, jockeys, and odds for the Ripley Handicap race.

2.15 CHAMPION TWO-YEAR-OLD TROPHY (E2148: 6f)

Table listing horse names, jockeys, and odds for the Champion Two-Year-Old Trophy race.

2.45 LADBROKE HANDICAP (2-y-o: E1127: 5f)

Table listing horse names, jockeys, and odds for the Ladbroke Handicap race.

3.15 CROSSGATES STAKES (3-y-o: E484: 1m)

Table listing horse names, jockeys, and odds for the Crossgates Stakes race.

3.45 RIPON AUTUMN HANDICAP (E936: 14m 13yds)

Table listing horse names, jockeys, and odds for the Ripon Autumn Handicap race.

4.15 MARKINGTON HANDICAP (3-y-o: E730: 6f)

Table listing horse names, jockeys, and odds for the Markington Handicap race.

4.45 BEDALE MAIDEN STAKES (E630: 14m)

Table listing horse names, jockeys, and odds for the Bedale Maiden Stakes race.

Chester

Julie Mary (Mr B. McAlpine), 2. J. Smith (Mrs D. Evans), 3.1. J. Smith (Mrs D. Evans), 3.1.

Table listing horse names, jockeys, and odds for the Chester race.

3.15 (3.20) MOSTYN HANDICAP (E811: 6f)

Table listing horse names, jockeys, and odds for the Mostyn Handicap race.

The fastest century of Hide's career

Edward Hide scored the sixth and fastest century of his career with a treble on Blue Echoes, Stovill and Vice Squad at Chester yesterday.

Hide's best season was while he was still an apprentice to his father when he finished second to Scoble Brasley in the 1957 jockey's championship with 131 wins.

Hide made all the running on the 1 to 3 favourite, Blue Echoes, who shook off the attention of the locally-trained Burialist in the straight, to win the Combermere Stakes by a length and a half.

Blue Echoes and Stovill are trained by Robert Armstrong, the former being badly hit by the virus. "She only stopped coughing three weeks ago," said the trainer.

STATE OF GOING (official): Kempton Park, 1.30: Chertsey Lock Stakes (Div I) 2-y-o maidens: E794: 7f.

French racing

Paulista preferred to English challengers

From Pierre Guillot, French Racing Correspondent, Paris, Aug 30

Two leading English-trained fillies challenge for Sunday's Prix de la Nonette at Longchamp, but both have to concede weight to their French rivals.

The improving Paulista took the Prix de la Nonette at Deauville on August 11 and the Group III Prix de Minerve at Evry on July 27.

Paulista was a tough race for Jeanne de Rethel and beat her on the neck. In the Psyche the concession was increased to 7 lb and Jeanne de Rethel finished third.

PRIX DE LA NONETTE (Group III: 3-y-o fillies: £10,900: 14m 110yds)

Table listing horse names, jockeys, and odds for the Prix de la Nonette race.

Horse trials

American leads overall after dressage phase

By Pamela Macgregor Morris

Bruce Davidson, of the United States, is the overall leader after the dressage phase of the Midland Handicap Park horse trials near Wetherby.

Princess Anne, leading in the Standard Bank section with 64 penalty points, but in future years they will probably be held for a year.

BRUNELLEN (Switzerland): world champion in the dressage phase of the Midland Handicap Park horse trials near Wetherby.

Asian Games

China could stretch the experienced Japanese

Teheran, Aug 30—China emerges from the shadows on September 2, challenging Japan's perennial domination as action begins in the seventh Asian Games here.

After Sunday's opening ceremony at the Aryamehr Stadium, about 3,000 athletes from 25 competing countries will spread out on Monday over the 11 new sites of the Aryamehr sports complex, seeking 1,500 medals in 16 events.

The Japanese have the superior numbers of international experience, but the 227-man Chinese contingent, the third biggest after the hosts, Iran, and Japan, should make the Japanese fight.

The Chinese are of world champion calibre in table tennis and badminton, and best of the Asian Games shooting champions, Japan, in a shooting event recently.

China's best athlete is Ni Chih Chin, whose 2.25 metres high jump performance in 1970 is just slightly under the world record—2.30 metres held by America's Dwight Stones.

China's best athlete is Ni Chih Chin, whose 2.25 metres high jump performance in 1970 is just slightly under the world record—2.30 metres held by America's Dwight Stones.

Modern pentathlon

Soviet Union are favourites

Moscow, Aug 30—The Soviet Union are expected to dominate the modern pentathlon championships, which open in the Lenin Stadium here tomorrow.

At last year's championships in London the Soviet Union swept the board, taking the team title and the first three individual places calculated from points totals from the five sports—equestrian, fencing, pistol shooting, swimming and cross-country running.

Since the mid-1950s the modern pentathlon championships, begun on an annual basis in 1949, have resolved themselves mainly into a battle between the Soviet Union and Hungary, with Hungary winning even. But with the retirement of the former world champion, Andras Balczon, Hungary have not been among the medalists since the 1972 Olympic Games.





Drink Cheap and cheerful

wines for everyday and all drinking should, in my opinion, be immediately agreed...

"slippery" feel. In general, they are only gently assertive, but full-bodied enough to parry...

The ultimate depths in sporting violence

Munich, Friday There's a crack and a hiss. From a deceptively slimline cannon snarls a burnished steel ball...

ordered society, yet needs a vicarious outlet for the violence that is only dormant...



Rollerball in action on the specially constructed set in Munich's Olympic basketball stadium.

has vanished as countries have followed each other into bankruptcy: we are in the age of the conglomerates...

To my mind the most remarkable part of Rollerball is its realization of the game itself. There were no rules in William Harrison's original story...

bursts for film purposes, but it was possible to play complete matches, with techniques and styles rapidly emerging...

film ("women are exploited as always", says Harrison) are rich, long and classical. The corporation chiefs, who include Ralph Richardson and John Houseman...

COLLECTORS

QUE TABLE SILVER... JADE AND IVORY CARVINGS... PICTURE RESTORATION... STAMPS AND COINS...

Leading from strength

Elektra King's, Edinburgh... William Mann... The artistic director of the Edinburgh Festival is said to suffer regularly, whoever he is...

ROYAL ALBERT HALL Kensington SW7 2AP

PROMS 74... THE BBC PRESENTS THE EIGHTIETH SEASON OF HENRY WOOD PROMENADE CONCERTS... TONIGHT AT 7.30 ANDREW DAVIS... MONDAY 2 SEPTEMBER AT 7.30... TUESDAY 3 SEPTEMBER AT 7.30... WEDNESDAY 4 SEPTEMBER AT 7.30... THURSDAY 5 SEPTEMBER AT 7.30... FRIDAY 6 SEPTEMBER AT 7.30... PROMENADE TICKETS AVAILABLE AT DOORS ONLY...

ROYAL FESTIVAL HALL TUESDAY, 17 SEPTEMBER AT 8 P.M.

SNO SCOTTISH NATIONAL ORCHESTRA... ALEXANDER GIBSON... ALFREDA HODGSON... JOHN MITCHINSON... CHICAGO SYMPHONY ORCHESTRA... SIR GEORG SOLTI... ROYAL PHILHARMONIC SOCIETY... 163rd SEASON 1974-75... HOLST CENTENARY CONCERT... Concerto for Two Violins; Op. 49... Hymn of Jesus... The Planets... NEW PHILHARMONIA ORCHESTRA... Sir Charles Groves... WEDNESDAY, 6 NOVEMBER AT 8... BBC SYMPHONY ORCHESTRA... WEDNESDAY, 11 DECEMBER AT 8... ROYAL PHILHARMONIC ORCHESTRA... Bernhard Klee... WEDNESDAY, 15 JANUARY AT 8... BBC SYMPHONY ORCHESTRA... John Pritchard... GINA BACHAUER... WEDNESDAY, 12 FEBRUARY AT 8... LONDON SYMPHONY ORCHESTRA... Claudio Abbado... MURRAY PERABIA... WEDNESDAY, 12 MARCH AT 8... ISRAEL PHILHARMONIC ORCHESTRA... Zubin Mehta... ARTUR RUBINOVICH... WEDNESDAY, 9 APRIL AT 8... ENGLISH CHAMBER ORCHESTRA... Ceza Anda... WEDNESDAY, 14 MAY AT 8... LONDON PHILHARMONIC ORCHESTRA... Carlo Maria Giulini... TANCET BAKER... Tickets can be obtained by Members of the Society for the Series at considerably reduced rates...

FOR PLEASURE & PROFIT—COLLECT STAMPS

THE GRENADINE ISLANDS OF ST. VINCENT... since the release on 30th September of their first ever GRENADINE DEFINITIVE series of postage stamps...

Over-simplification

Let My People Come Regent... Charles Lewsen... This show is billed as "a sexual musical", and it celebrates in song and sketch, the mechanics of sex...

HAROLD HOLT LIMITED presents

YEHUDI MENUHIN... MENDELSSOHN AND ELGAR CONCERTOS... ROSSINI OVERTURE Italian Girl in Algiers... with the NEW PHILHARMONIA ORCHESTRA... Conductor: DAVID ATHERTON... SUNDAY 6th OCTOBER AT 7.30... VICTOR HOGHAUSER presents SUNDAY 15 SEPTEMBER AT 7.30 P.M. TCHAIKOVSKY... Piano Concerto No. 1... OVERTURE "1812" 2 MILITARY BANDS... BIRMINGHAM SYMPHONY ORCHESTRA... VICTOR HOGHAUSER presents SUNDAY, 29 SEPTEMBER AT 7.30 ROSTROPOVICH... playing the DVORAK CELLO CONCERTO... ROYAL PHILHARMONIC ORCHESTRA... Conductor: SIR CHARLES GROVES... VICTOR HOGHAUSER presents SUNDAY, 22 SEPTEMBER AT 3 P.M. VIENNESE NIGHT... Overture: Die Unterwelt... A Thousand and One Nights... Radecky March... NEW PHILHARMONIA ORCHESTRA... Conductor VILEM TAUSKY... Tickets: Jip, 30p, 50p, 1.00, 1.25, 1.50, 2.00 (101-589 8212) & Agents.

ORDER COUPON... URCH, HARRIS & CO. LTD., Richmond Hill Avenue, 1st BSS 1BQ... I find enclosed remittance £... Please supply the following stamps of the Grenadine Islands of St. Vincent: 18 stamps used on special first day cover... 18 stamps used on special first day cover... 15 stamps used on special first day cover... I am interested in your new issue service through which you supply whatever issue may be required on the basis of the plate 20...

FOR THE EPICURE

IN END HALVES... HICKS & DON... SPED THE POST... Use Our Correct Address: The Times Classified Department, The Times, P.O. Box 7, New Printing House Square, Gray's Inn Road, London, WC1X 8EZ.

QUEEN ELIZABETH HALL... TUESDAY 17 SEPTEMBER AT 7.45 RICHARD LEWIS BACH ENSEMBLE... Richard Lewis's Ensemble, Elizabethan Music... TAMAS VASARY piano... CHOPIN RECITAL... Pledgeline in C sharp minor, Op. 25, No. 1; Impromptu in F sharp, Op. 36; Scherzo, No. 4, Op. 30; No. 4, Op. 54; No. 3, Op. 39; No. 2, Op. 31; Et. 30, Et. 11, Op. 109... Management: Innes & Williams Ltd.



Gardening

Looking to winter

about this time of year we think about the plants we have seen and which have been particularly successful...

any case it would be if you are intending to do permanent planting later...

is always to me sad that, few exceptions, the genus thus is rather on the which...

are quite a few of these that should be regarded as a plant or two just in case...

difficult to root from is easy to raise from the golden flowers are in short fat racemes up along the branches which...

yellow and white scented uckle, Lonicera halliana, in flowering solidly since in the west facing wall of our outbuildings...

Roy Hay

Travel

Perspective on the past



The ruins of Ephesus.

Swans Hellenic cruises began for me in Venice and in Athens—flying to and from Gatwick (one of my least favourite airports) to a golden evening, walking along the quay to find the Ankara decorated with little lights...

There was always a great welcome from the Ankara, a Turkish ship with a Turkish crew. They were used to Hellenic travellers, having done the past 16 seasons with them.

It is an extremely precise and well worked out programme which will enable the travellers to cover the maximum amount of ground, bearing in mind that quite a high proportion of us are no longer young.

Further down the coast, Sidon was the old Phoenician town, with blue water lapping the filthy, rubbish-strewn beaches and the edge of a thirteenth-century crusader castle.

We have our guides with us—our guest lecturers, experts in their own fields, from museums and academic life who accompany us to the sites and give lectures on board.

place to ourselves, we may gaze at the jewelry and gold, which includes the mask which Schliemann believed to be the face of Agamemnon...

Together with the tremendous grandeur of the scenery in Turkey go the Biblical and literary associations which add so much. Visiting Sardis, the wealthy city which invented coinage...

In the theatre at Ephesus it is the custom to read from Acts XIX the account of the riot over the activities of St Paul in that great and beautiful city.

The legends are made to live for us again as we go through the gate to Mycenae, looking across the plain of Argos, back towards the fortress of Tiryns...

Philippa Toomey

Food

Ringling seasonal changes

now work all the year with the consistently neat and polished but to dull repetition it is in to vary the end results...

chicken with courgettes 1 chicken joints liberally parsley butter and oven them with courgettes to the pan...

ARDENING

Best for all Seasons! HUMUS-making... Concentrated Manure... JANIC CONCENTRATES D., Mail Order, Dept K, Chalfont St. Giles Bucks.

barbecue or outdoor eating for many years, Sainsbury's now sell fresh pork ribs for just the price...

and pour the barbecue sauce over the meat. Lower the oven heat to moderate (350 deg F or Gas No 4), replace the meat in the oven and continue to roast for a further hour.

A little seasonal advice too, for cooks facing the task of freezing garden runner beans. Remember that it is important to blanch vegetables that are going into the freezer.

Runner beans should be cut in chunks for freezing, so don't use a bean slicer. Beans go very soft if they are sliced thinly.

Katie Stewart

Flairway places

exotic, exciting extraordinary



Flairworld—a fascinating new programme of air tours and Fly-Cruises to the Far East, Australia, the Caribbean, East Africa and the Seychelles...

NAME: \_\_\_\_\_ BICCA LETTERS PLEASE ADDRESS: \_\_\_\_\_

flairworld

450 passengers 300 hand-picked crew 24,000 tons of ship

18 day Christmas/New Year cruise Dec. 19-Jan. 6 '75

Southampton, Tangier, Casablanca, Dakar, Tenerife, Funchal, Amsterdam, Southampton. £334-£1366.

45 day South African cruise Jan. 6-Feb. 20 '75

Southampton, Las Palmas, Freetown, Lomé, Libreville, Walvis Bay, Durban, Port Elizabeth, Cape Town, Luanda, Dakar, Funchal, Amsterdam. Southampton. £370-£3430.

45 day South American cruise Feb. 20-April 6 '75

Southampton, Funchal, St. Vincent, Salvador, Santos, Montevideo, Buenos Aires, Rio de Janeiro, Vittoria, Recife, Lanzarote, Lisbon, Amsterdam, Southampton. £1370-£3130.

37 day Caribbean cruise April 6-May 13 '75

Southampton, Las Palmas, San Juan, St. Thomas, St. John's, Fort de France, St. George's, Bridgetown, La Guaira, Willemstad, Montego Bay, Nassau, Hamilton, Ponta Delgada, Amsterdam, Southampton. £1120-£2805.

Starooms still available for: 30 day Mediterranean cruise Sept. 19-Oct. 19 '74

31 day Caribbean cruise Oct. 22-Nov. 22 '74

For your colour brochure of these exclusive cruises from Southampton please contact Norwegian America Line, Dept. ITM, 11 Quadrant Arcade, Regent St, W1K 0EJ. (Tel: 01-734-404).

Oryour ABTA agent.

SAGA FJORD NORWEGIAN AMERICA LINE

Possibly the most expensive cruises, certainly the best.

Learn the German language in Germany

Beside the largest lake in Europe, Lake of Konstanz, in the most beautiful part of Germany...

SPENGLER LANGUAGE CENTRE. Why not combine a study of German with a holiday?

COURSES PROGRAMME: Grammar, commercial German, literature, etc.

LENGTH OF COURSES: 2 to 12 weeks. FREE TIME PROGRAMME: Horse-riding, water-skiing, swimming, tennis, sailing, tennis, gymnastics.

PRICES: 2 weeks £ 98, 4 weeks £ 198, 6 weeks £ 265, 8 weeks £ 358, 10 weeks £ 435, 12 weeks £ 520.

THE PRICE INCLUDES: Full accommodation, Excursion to Switzerland and Austria.

We will fetch you from Zürich airport or Radolfzell railway station.

For application forms and prospectuses, write to: SPENGLER INSTITUTE SPENGLER 7701 Schönenbuch, Switzerland (Telephone: 07720) 2878

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_ Address: \_\_\_\_\_

ONE OF THE WORLD'S GREATEST VOYAGES P & O's 5 week holiday to Australia

Oriana (42,000 tons, stabilised, air conditioned) sails Southampton November 12th for New Zealand and Australia, via the Caribbean, U.S.A. and the Pacific Islands.

Write or call P&O, Beaufort House, St. Botolph Street, London EC3A 7DX Tel: 01-247 4757.

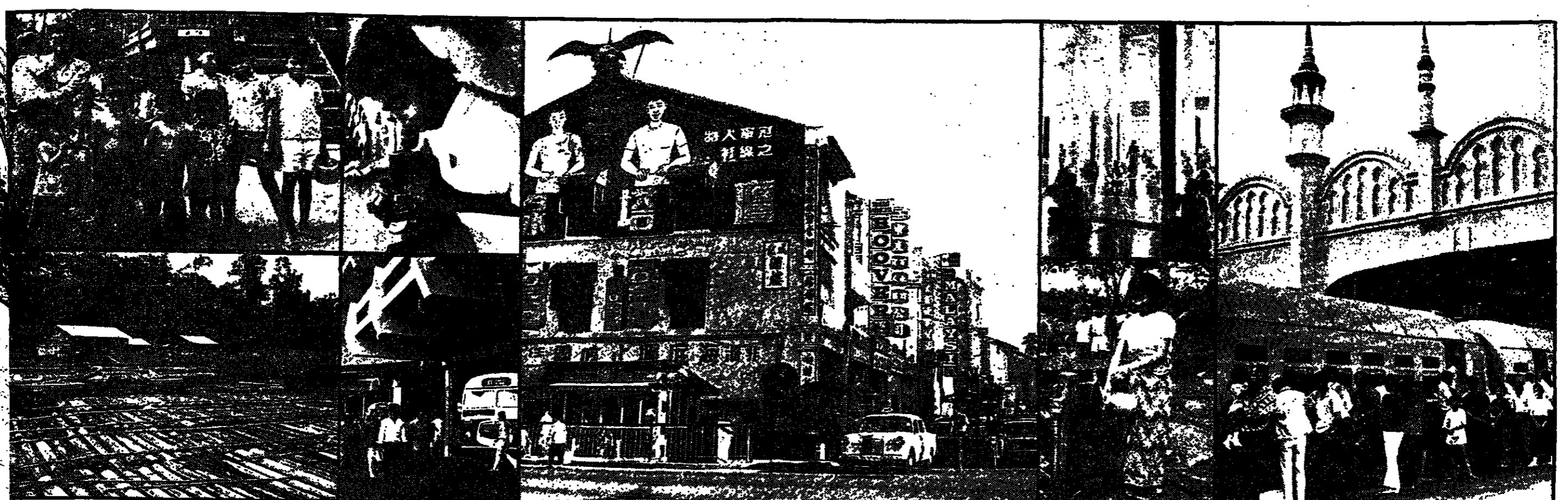
A crossword puzzle grid with words like 'UNCERTAINCOYANDHARTOPPLEASE' and 'NUNBATHEDTARANTULAEXAMPLE'.

SWANS ART TREASURES TOURS. Each tour is accompanied by an expert Guest Lecturer with specialised personal knowledge of the countries visited.



a Special Report on investment and development

# Malaysia



## Nation is confident in its good fortune and prefers peace at cost of some liberty

By Mabbett

word which best describes the Malaysian condition today is confidence. It is a conventional uncertainty about the future of East Asia nor misgivings about Malaysia's difficulties impinge on its optimism. It is riding high, and a number of projections of its good fortune will swell through South-east Asia.

Apart from the city of Singapore, Malaysia's highest living standard is in the most developed services, the best infrastructure, the most prospects in the country.

Overwhelmingly its economic problems are those of change and adjustment. For good or ill, perhaps the most serious country in Asia, either resentful peasant or simmering class.

This is a measure of the changes made after the 1969. Malaysia was rightly perceived to be Malaysia's danger, and policies have been pursued with attempts to persuade the Chinese, the ethnic Malays in Sarawak, to accept a reduced role. As a result of the programme the general feel they have a break at last. The Chinese, disoriented by case not given to them, are so far content and see a fading in this aspect.

ance that last week's general election was as bland as the last one in 1969 was nerve-racking. This was not just a matter of a prohibition on the discussion of "sensitive issues" such as Malay rights, the use of the Malay language, the sultanates and citizenship. There is widespread awareness of the dangers of further racial dispute along the 1969 lines, which led to serious rioting, and there seems to be a general preference for peace at the cost of some liberty.

Tun Abdul Razak, the Prime Minister, had developed his National Front coalition to take over from the old Alliance (of three parties, Malay, Chinese and Indian), and the key battles were internal, for the right to contest the elections rather than public, for votes. Even if the National Front should prove less durable than Tun Razak hopes it will be, his Government will retain firm control of Parliament.

In the elections the nine-party National Front was handsomely returned to power, winning three-quarters of Parliament's 154 seats and all peninsular Malaysian state assemblies. State elections in Sabah are not due for two more years and in Sarawak, where polling is spread over three weeks because of poor communications, results are coming in slowly.

Two opposition parties, the mainly Chinese Social Justice Party and the mainly Malay and rural People's Socialist Party, were virtually obliterated. Only the Democratic Action Party (a descendant of Singapore's ruling Peo-

ple's Action Party from the days of Singapore's brief tenure in Malaysia) made any kind of opposition showing. It won nine seats in Parliament, as many as it had before, and took about 20 per cent of the total vote.

This represents a limited Chinese backlash against government policies which bring Malaysia more strongly into Malaysia's economic life, but local factors and personalities were also involved. In general the election results indicate approval for the Government's programme of economic development and racial integration.

This does not mean that politics will languish. On the contrary, rapid social change is forcing the Malay parties in particular, since the Malays are more caught up in change, into a process of perpetual adjustment.

Some strain results, both within Tun Razak's United Malays National Organisation and in its relations with the Islamic Party, its principal National Front partner. Election euphoria will ease this for a time, and the Socialist Party's debacle shows that few strong resentments exist among the rural Malays but complacency could be dangerous.

The rural Malays, benefiting only slowly from development, are beginning to realize how prosperous many of their urban brothers are becoming as they are lured into commerce and industry. Poverty is perhaps a less important political problem now than the contrast between the poor and the newly rich. But this problem may diminish, through the blur-

ring of boundaries, as what is called the New Economic Policy continues to work its disorderly magic. Initially this means jobs for Malays. All industrial employers are required to hire four of them in every 10 workers, overcoming as best they can the Malays' inexperience and lack of skills, and to bring Malaysia into management, which has created enormous mobility among graduates as they climb the salary scales from job to job. In this the overall policy is more important than the inevitable anomalies.

With employment norms established, the Government is moving now to get Malays into distribution (most distributors, dealers and retailers are Chinese) and into ownership. These are patently tougher projects, and the target for ownership may indeed have to be thought about again—there seems to be not enough Malay money in sight. But the immediate effect has been to lower political temperatures and usher in a political stability remarkable for this region and astonishing in an underdeveloped and multi-racial democracy.

Largely this is Tun Razak's achievement (with Chinese acquiescence lending a hand), but a high rubber price and a couple of other developments have also helped. Malaysia, the world's largest exporter of rubber,

tin, palm oil, tropical hardwoods and pepper, and a net exporter of oil as well, has done splendidly in the commodities market. This alone would go far to account for all the young people in fashionable clothes who crowd the new shopping complexes, the cars, the spreading suburbs of new houses, and Malaysia's other signs of promise.

In addition Malaysia has contrived to sort out its foreign investment procedures, formerly cumbersome, just in time to profit from a wave of interest in countries offering cheaper land, labour and services than Europe, America and Japan. The result is a tide of new factories absorbing unemployment in such formerly depressed towns as Penang, Malacca, Batu Pahat, Taiping and Kuantan, all of which have lately come to life again.

The rising importance of manufacturing is starting domestic investment as well, and the planners talk of Malaysia being semi-industrialized by 1980 and industrialized, with manufacturing accounting for more than a third of gross domestic product, by 1990.

Other elements of useful change involve other countries. By contrast with the Indochinese states, Thailand, Malaysia, Singapore, Indonesia and the Philippines (the five members of

ASEAN, the Association of South-East Asian Nations) are largely at peace and able to concentrate on economic growth. They thus can consider turning their association from a political and social one into a primitive kind of economic grouping. The first steps are being taken and the regional scene is hopeful.

Simultaneously, Malaysia's agreement on diplomatic relations with China could lead to reduced fear of China's covert influence in the region and to a kind of great power balance: the neutralization of South-East Asia begins to approach the realm of practical politics.

Calculations on China could go astray if Peking decides to try to harness dissident forces among this region's millions of overseas Chinese. But Malaysia at

least is confident it can deal with internal insurgency, even if guerrilla activity should increase.

It is difficult to estimate the extent of this activity. The Malaysian Communist Party (which claims that Malaysia is a colonial creation and thus can neither use the name nor claim influence in Sabah and Sarawak) probably has between 1,000 and 2,000 armed men along the Thai border and can mount an occasional foray south, recently as far as Pahang.

The murder of officers in the police special branch is worrying, but the recent killing of the Inspector-General of Police, Tan Sri Abdul Rahman Hashim, in Kuala Lumpur, was probably not a communist coup.

A recent commentator's conclusion that the communists posed a critical threat seemed to result from a

study of a minister's demeanour, but it is a minister's job to be serious. Certainly the Malaysian Communist Party rarely figures in business calculations. In Sarawak the communist guerrillas are a beaten force.

More important than the communists in Malaysia's future, unless Indochina and Thailand produce sensational changes, are the huge numbers of young people coming from the schools and the tens of thousands of women beginning to shed their homely shackles of childbearing and housekeeping.

These are going to bring new forces into political life, and these forces will be shaped also by the growing importance of industry, by a fairly rapid movement of population from the rural areas into the towns, and by the blurring of racial boundaries which is resulting.

There is not much doubt that continued economic growth can be secured, with oil and manufacturing added to the plantation industries in business calculations. In and with natural rubber, as a result of high oil prices, at last confident in its competition with the synthetic product. Nor is there any doubt that Malaysian administration and managers are gaining in confidence every day; future historians may find that Malaysians overcame a major psychological barrier when they found their country could run its own airline without any help from Singapore.

Doubts do exist, however, whether political institutions and major psychological barriers can adjust rapidly enough to the pressures and opportunities that all these movements will produce. But this is a comment which could be made of any country so caught up in rapid change as is Malaysia.

Basic statistics			
Area (sq miles)			
Peninsular Malaysia			50,670
Sabah and Sarawak			77,638
Population			
1973 estimates			
Peninsular Malaysia			9,900,000
Sabah and Sarawak			1,800,000
1970 census (main towns and industrial centres)			
Kuala Lumpur			707,000
Penang			332,000
Ipo			248,000
Johor Bahru			138,000
Kuching			200,000
Kota Kinabalu			50,000
Number of persons per sq mile			91
Peninsular Malaysia			195
Sabah and Sarawak			23
Annual average rate of increase in population per cent			2.8
Composition of population, per cent			
Malays			44
Chinese			36
Indians and Pakistanis			9
Indigenous in Sabah and Sarawak			8
Other			3
Employment (1970 estimates)			
Labour force			
Peninsular Malaysia			3,028,000
Sabah and Sarawak			571,000
Employment by occupation			
Agriculture, forestry, fishing			1,749,000
Commerce			587,000
Manufacturing			318,000
Services			321,000
Other			373,000
Unemployment			
Peninsular Malaysia			243,000
Sabah and Sarawak			26,000
Production			
Gross national product (1973 \$m)			
Peninsular Malaysia			13,200
Sabah and Sarawak			2,688
Exports 1973			
	\$m	percentage change on 1972	
Rubber	2,242	+16	+73
Tin	885	-6	+4
Saw logs	929	+7	+57
Sawn timber	592	+40	+115
Palm oil	484	+17	+28
Petroleum	238	-12	+7
Other	1,523	-	+27
Total	6,876	-	+42
Imports 1973			
	\$m	per cent	per cent change 1972-73
Machinery and transport equipment	1,720	31	+15
Manufactures	1,300	24	+23
Food, drink and tobacco	1,120	21	+25
Chemicals	500	9	+31
Mineral fuels	400	7	+8
Raw materials	340	6	+9
Other	110	2	+41
Total	5,490	100	+20

Source: National and Grindlays Bank.

In south east asia, we've solved more financial problems than you've ever thought of

Business issues • leasing • corporate finance • equipment finance • acquisitions and mergers • insurance • loans • portfolio management

### CHARTERED MERCHANT BANKERS



**CHARTERED MERCHANT BANKERS LIMITED**  
701-1707 Straits Trading Building  
Battery Road  
Singapore 05  
Telex: Charmer RS21985

**CHARTERED MERCHANT BANKERS MALAYSIA BERHAD**  
5th Floor, Bangunan Ming  
Jalan Bukit Nanas  
Kuala Lumpur.  
Telex: CMBM MA 30294

Affiliated with  
**The Chartered Bank**  
and Arbutnot Latham & Co., Limited, London.

## Come into summer!

For more information please post the coupon to your nearest MALAYSIAN TOURIST INFORMATION OFFICE.  
England: Imperial House, 15-19 Kingsway, London WC2B 6EU  
Malaysia: P.O. Box 328, Kuala Lumpur

NAME: .....

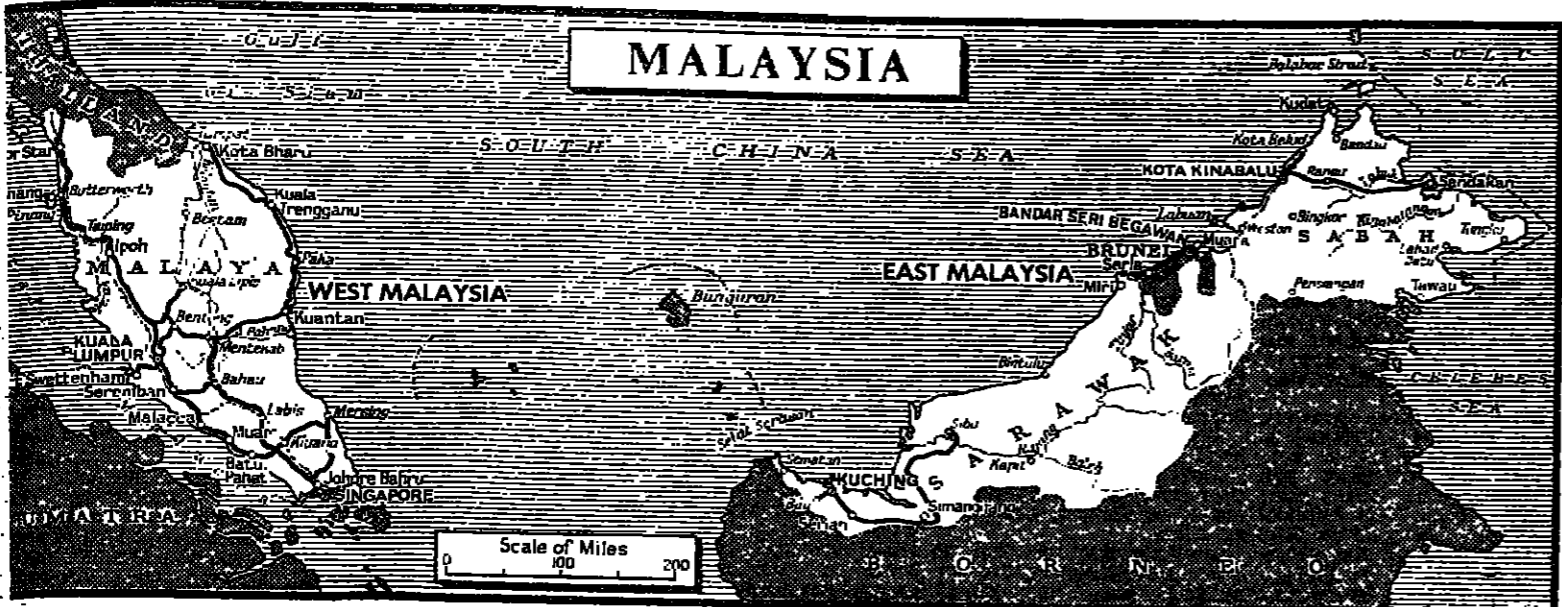
ADDRESS: .....

7/31/74



سكنا من الاجل

future



## Revival in the rubber industry spurs efforts to greater efficiency

Malaysian natural rubber industry is bracing itself for a future of remarkable growth after the destruction of the 20-year competitive edge enjoyed by synthetic rubber.

With the increases in the costs of synthetic rubber irreversible, the only factor that could prevent Malaysia benefiting increasingly from the new situation would be the unlikely event of a worldwide economic depression.

The Malaysian rubber industry, which accounts for 40 per cent of the world production, is likely to adapt quickly to increases in demand. Last year it showed its sensitivity to market forces when, in response to a world price and demand increase, it raised rubber production by 241,200 tons, or 18 per cent, to 1,566,100 tons. This earned the country \$1,500m in foreign exchange. A year earlier production expanded by only 1 per cent.

"I believe there are great prospects for the industry," he asserted, indicating that Malaysia was gearing itself up to meet as much of this increased demand as it could.

While these account for 60 per cent of the total acreage under rubber they produce only half the country's output. The reason is that only 60 per cent of their acreage is under high-yielding trees, compared with 95 per cent in the large estates. The smallholders' low-yielding trees are just over half as productive as those on the estates, but still 40 per cent above the world average.

"It really is a colossal problem to get the smallholders to innovate," Dr Sekhar said. "But the Government is determined that they should become economically viable," he said, adding that the aim was to give the smallholders incomes at least equivalent to those of industrial workers.

Smallholders are being encouraged to replant with high-yielding and quick maturing trees. They have often been discouraged from doing this because conventional trees take from four to five years to mature, but the successful RRI reports that it should soon have available a tree that can mature two years earlier. This will encourage both replanting and new investment in the industry.

The RRI also reports that its plant breeders have the capability of breeding rubber trees which could produce annually 3,000lb an acre. The national average is now 1,099lb. If these trees could be planted on a large scale it would reduce the cost of rubber production and improve the competitive position of natural rubber to synthetic rubber.

The Rubber Industry Smallholders Development Authority (RISDA) is playing a key role in supporting the smallholders' replanting programme. Last year it assisted smallholders in planting about 30,000 hectares, below the projected target because some planters preferred to take advantage of the prevailing high rubber prices rather than participate in replanting. To counter this, the Government is providing replanting grants.

The RISDA is also carrying out a new planting programme. Under this smallholders are allocated a five-acre lot on a share-ownership basis and income derived from each lot is divided equally.

national rubber market. Although this has not yet been fully accomplished, with a number of overseas customers and dealers associate members of the Malaysian Rubber Exchange, it is close to realization. It has also joined with other South-east Asian nations in the Association of Natural Rubber Producing Countries, through which it is examining areas for improving marketing facilities and greater coordination between producers.



Rubber tapping: skill is required to cut a sixteenth of an inch of the bark to cause the rubber latex to flow.

P. H. R.

Output data	1972	1973
	'000 tons	'000 tons
Saw logs	1,323	1,514
Sawn timber	1,193	1,300
Oil and kernels	19,052	21,893
Concentrates	3,441	3,830
Rubber	878	1,044
Latex	77	73
Crude	521	450
Oil, '000 barrels	1,077	1,220
Gas, '000 cu metres	33,859	35,400
	93,769	n.a.

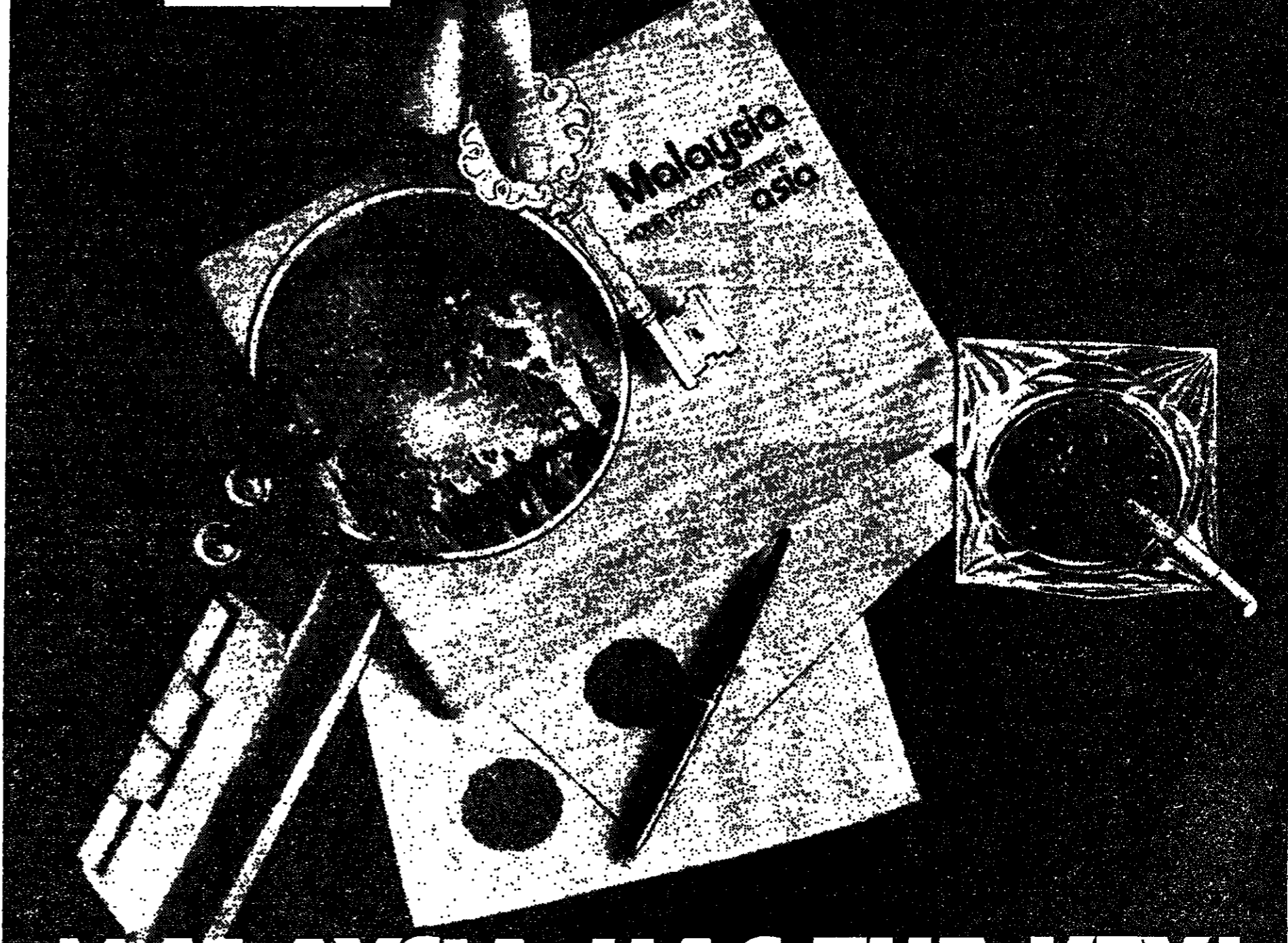
  

Manufacturing production Index	1972	1973
Malaysia, 1958 = 100		
Manufacturing	154.0	182.0
Metal products and machinery	200.5	256.2
Natural processing products	164.8	178.2
Other products	178.5	208.4
Services	139.8	169.3
Construction	127.8	135.1
Others	122.0	141.3

Six months at annual rate.

Source: National and Grindlays Bank.

# IF YOU'RE THINKING WHAT WE'RE THINKING — A PROFIT CENTRE FOR INVESTMENT



## MALAYSIA HAS THE KEY!

If you are looking for what we are offering — a profit centre for investment — then Malaysia has the key. Open the door to Malaysia — 2 1/2 times the size of England. The land of many assets. Abundant, educated, easily trainable labour. A world leader in tin, rubber, palm oil, timber and pepper. An average growth rate of 11%. A per capita income second only to Japan.

To these assets add — a stable Government — one of the strongest currencies in the world — used by the International Monetary Fund as a loan currency — one of the highest standards of living in South East Asia. All these factors have been integrated into a carefully planned industrialisation programme with investment incentives for labour intensive, agro-based, high precision, technology and export-oriented industries. These include tax holidays of up to 10 years, free repatriation of profits, excellent infrastructure facilities and other attractions like speedy processing of proposals.

Perhaps that's why more than 350 interna-

tional manufacturing companies are in Malaysia today.

Example:

from U.S.A. — Hewlett-Packard, RCA, Monsanto, National Semi-Conductors, Texas Instruments, I.T.T., Motorola, General Motors, Colgate-Palmolive, Rockwell International, Dow Corning and Union Carbide;

Europe — Robert Bosch, Siemens, Nordmende, Aesculap, ICI, Nestle, Plessey, Ericsson, Navay, G.E.C., Multitone, Euromedical, Kehrli AG, and SGS-ATAE;

Japan and Hong Kong — Matsushita, Toshiba, Sanyo, Sumitomo, Hitachi, Sankyo, Seiki, Textile Alliance of Hong Kong, Carter Semiconductor of Hong Kong and many others.

So, if you're thinking what we're thinking — a sound profit centre for investment — then write in for further details. In Malaysia you'll find the key to your profit centre in Asia.

**Malaysia**  
YOUR PROFIT CENTRE IN ASIA

Date.....

Federal Industrial Development Authority of Malaysia

Director, Malaysian Investment Centre, 4 Dusseldorf 1, 30 Konigsallee, FEDERAL REPUBLIC OF GERMANY.

OR Director, 6th Floor, Wisma Damansara, P.O. Box 618, Kuala Lumpur, Malaysia. Cable: FIDAMAL.

Dear Sir,

We are keen on examining the possibilities of establishing a manufacturing plant in Malaysia. Please send us a copy of your free brochure, "MALAYSIA, YOUR PROFIT CENTRE IN ASIA."

We enclose here our company calling card. Please direct all correspondence to the official concerned.

## TRADE WITH CHINA

On October 2nd The Times will publish a major Special Report on Trade with The People's Republic of China.

Designed to coincide with the International Trade Fair in Canton, it will be one of the most important reports on international trade to be published during 1974.

Contributors will include David Brana, The Times correspondent in Peking, specialist staff writers and leading figures concerned with China's trade and affairs.

It will be read not only by the one million influential readers of The Times throughout the world, but copies will also be made available to delegates and officials attending the fair in China.

This Special Report thus provides western businessmen with a unique platform to promote their goods and services to China at a time when highly important trading decisions are being made.

For additional information contact John Oliver, Commercial Manager, Special Reports (01)837 1234 ex. 408

For advertising details contact Tony Broke-Smith, Special Reports Advertisement Manager (01)837 1234 ex. 507

The Times, P.O. Box 7, New Printing House Square, Gray's Inn Road, London WC1X 8EZ

# When in Malaysia, do as Malaysians do.

The people of Malaysia have come to know Malayan Banking as the Bank with the people they can count on. That's why we are Malaysia's biggest bank. With more branches in more places than any other bank in Malaysia. So we always know what's happening in finance and commerce, Industry and government, throughout the country. You can benefit from what we have learned. Whatever your particular field of business is. And whichever of our full range of banking services can help to boost it. You'll find we are people you can count on in Malaysia and in London.



**MALAYAN BANKING BERHAD**

-people you can count on.

145 Moorgate LONDON E.C. 2 Tel: 638-9328.

## A rush of exploration is revealing huge natural reserves. Petar Hadji-Ristic describes some of the latest discoveries and the uses to which they will be put

### Major companies lead the hunt for oil and gas

In the past few years the petroleum companies prospecting for oil in Malaysia have spent more than \$1,000m. This has paid off with a number of significant oil and gas discoveries off the coasts of Sarawak, Sabah and peninsular Malaysia.

Reports of these successes have brought applications from more than 120 oil companies to prospect the 200,000 square miles now under offer. New applications are arriving all the time at the office of the petroleum division of the Department of Primary Industries, perhaps the busiest office in Kuala Lumpur.

"We have never come across such a high concentration of applications", commented Mr Mohammed Wali,

a senior official at the petroleum division. "The list includes all the main oil companies."

According to Mr Wali, some 90 per cent of the applications are for licences to explore an area of 32,000 square miles off the coast of Sarawak.

From the adjoining area Shell is producing the entire 93,000 barrels a day of domestic output, and has recently made significant new discoveries.

Shell is also reported to have found huge reserves of natural gas. A liquid natural gas plant capable of producing five million tons a year and costing at least \$2,000m is in the planning stage. The gas will be exported to Japan.

Shell has also discovered oil off the coast of Sabah. According to reports, the company is expected to be producing 30,000 barrels a day from this area by next year.

Esso, too, is in the hunt for oil off Sabah. It has already reported a good find and is expected to go into production next year, initially with a rate of 20,000 barrels a day, rising to 100,000 barrels.

Off the east coast of peninsular Malaysia Esso has found oil and gas. High hopes are pinned on this natural gas discovery and the company is conducting market surveys to see if it would be economic to exploit. It is hoped it could be piped to main consuming areas on the west coast of the peninsula

and also to Singapore. The company is conducting studies to determine whether the quantity of oil is sufficient to exploit.

A consortium of companies headed by Continental Oil has also made a big oil strike in the same general area, as well as at least two gas strikes, one only a few months ago. Based on these reports, the petroleum division is confidently predicting domestic oil production of at least 500,000 barrels a day by 1978.

Most government officials confidently predict an oil output of some one million barrels a day by the end of the decade. This would make Malaysia a major oil petroleum exporter. The country

already produces 93 barrels a day, about 10 barrels a day more than domestic needs, although ports of heavy crude are necessary because all Malaysian petroleum is of the sulphur variety.

The emergence of Malaysia as a big oil exporter prompted the move to set a national oil corporation named Petronas. It has production sharing agreements with all the companies, a type of arrangement pioneered by the Indonesians. These will probably be on a 65:35 per cent basis with the Government having the main share. If production exceeds 75,000 barrel a day, the share will probably be 80:20.

## Overseas finance helps to tap a mine of wealth

A big effort is under way to expand mining production and halt the decline which the industry suffered last year.

Mr Morry Mahmood of the Department of Mines, says that the national corporation Pemas is exploring for tin off the states of Perak and Selangor. "Exploration is still in the preliminary stages, but the prospects seem good", he said. Prospecting would take about three years and production on a large scale could start

before the end of the decade on the east of peninsular Malaysia. A survey has shown the existence of tin deposits and the Malay-

Government is going to prospect the area with the help of the Dutch Government.

Apart from the prospects for new mining operations, Malaysia is preparing for the first time to produce copper on a large scale. A Japanese consortium and a group of Malaysian companies have been given the go-ahead to open a copper mine in Sabah and production is expected to start next spring. It is estimated that the mine has 70 million tons of ore with a concentrate of 0.6 per cent

and 140 million tons of 0.4 per cent.

Mr Mahmood said that the Australian company BHP, together with a local company, was also considering opening another copper mine in Sabah. A decision was imminent.

Perhaps the greatest prospects are centred on the results of a massive airborne geophysical survey which will soon be conducted, with the help of the Canadian Government, along the entire central belt of peninsular Malaysia. It is expected to

reveal large deposits of metals, including lead, zinc and copper.

On the question of foreign investment in the mining sector, Mr Mahmood made it clear that this was welcome and that it conformed with the Government's new economic policy. This presumably means that foreign interests cannot have more than a 30 per cent share in any mining enterprise. "We recognize it we just don't have the risk capital or the technology", Mr Mahmood said. "One just has to be realistic."

Apart from the expansion of industries based on agricultural resources, considerable opportunities will result from the planned increase exploitation of the country's mineral resources. Most of these opportunities will present themselves later in the decade, but in the meantime there is already a proposal to build a \$500m bauxite production plant.

Interest in the growth prospects of the industrial sector is reflected in the number of investment applications. Fida reports that in the first four months of this year 11 projects were presented for approval, compared to 4 projects sanctioned during the previous 12 months. Total investment was \$306.42 per cent of it provided foreign companies and 58 per cent from domestic source

## Big expansion planned to exploit assets

The Government clearly hopes to use its new energy resources as a basis on which to develop heavy industries. It is moving fast to capitalize on its good fortune, and according to Mr Muhammad Zain, director of the Federal Industrial Development Authority (Fida), is already considering more than 10 foreign applications to build a petrochemical complex in the country. "We are studying these carefully; whoever we get, we want them on a worldwide scale", he said.

Within three to four years Malaysia could be producing plastics, synthetic fibres, chemicals and other raw materials for a wide range of other industries. It should be able to supply all its chemical fertilizer needs, ruling out the need for fertilizer imports, which last year totalled \$400m. Other large-scale heavy industries will also be encouraged to establish themselves in the country.

Although the agricultural sector is still the key to the Malaysian economy, it is the industrial sector which holds the key to further large-scale economic progress. Over the past three years the sector has been expanding at an annual growth of 16 per cent and industrial employment has been expanding at 9.5 per cent a year. Employment in this sector now totals just over 300,000, and the Government has been relying

on it to solve the country's unemployment problem.

Although employment is hovering around 7.5 per cent, the Government is looking only for labour-intensive industries. In common with Singapore and Hongkong, Malaysia is now seeking the more skilled industries.

"We have come to a stage in our economic planning at which industrialization is not an end to all in our industrialization planning", Mr Datuk Musa Hitam, Deputy Minister of Trade and Industry, said recently. "There is already sufficient domestic capital in Malaysia and we have the necessary financial structure to mobilize it. What we lack, and need now, is the technological knowledge and management skills, as well as marketing outlets."

He said he will have added that this is not only a necessity, it is vitally urgent. Other countries in the region, such as the Philippines and Indonesia, are presenting a fierce, even irresistible challenge for labour-intensive industries, offering cheaper labour costs than Singapore or Malaysia.

Apart from expectations of using its energy resources both as a basis for new industries and as an incentive for those industries requiring large quantities of fuel, Malaysia is also hoping to see more developments of resource-based industries.

As the world's largest rubber exporter, Malaysia sees considerable scope for ex-

panding industries based on rubber production, according to Mr Zain. Fida has recently given the signal for the production of rubber gloves, and has in mind similar projects ranging from the manufacture of belts to erasers. It has also been reported that the Government has begun negotiations with four international rubber companies to establish processing factories in joint ventures with the Malaysian Rubber Development Corporation. Rubber-based industries now use only 30,000 tons of domestically produced rubber, some 2 per cent of total production.

It is acknowledged that there are limitations to this strategy, however. Many rubber products are just too bulky and heavy to be trans-

ported economically. Like tyres, they may also require additional materials such as steel which is not available in Malaysia.

Among other resources, great hopes rest on the country's expanding timber production. Already a considerable exporter of unfinished plywood, Malaysia has only one production step to take to start processing this into a pre-finished form. Oil and wood manufactures, such as furniture and building components, have good prospects.

Fida also sees considerable possibilities for the fast-expanding palm oil industry. Only a tiny fraction of the exports of this product is now refined. Interest has been expressed in establishing margarine and soap factories using palm oil as a raw material.

apart from the expansion of industries based on agricultural resources, considerable opportunities will result from the planned increase exploitation of the country's mineral resources. Most of these opportunities will present themselves later in the decade, but in the meantime there is already a proposal to build a \$500m bauxite production plant.

Interest in the growth prospects of the industrial sector is reflected in the number of investment applications. Fida reports that in the first four months of this year 11 projects were presented for approval, compared to 4 projects sanctioned during the previous 12 months. Total investment was \$306.42 per cent of it provided foreign companies and 58 per cent from domestic source

Rich resources mean bright economic future

continued from page 11

7 per cent are Malays compared with 68 per cent Chinese, 4 per cent Indians and 18 per cent foreigners. In this same sector 46 per cent of Malay employment was unskilled compared with 26 per cent and 34 per cent for Chinese and Indians respectively.

Figures show middle Malay household income at \$122, Chinese at \$271 and Indian at \$196, while mean household incomes are given as \$179, \$387 and \$310 respectively. The percentage pattern of incomes shows the Malays predominating in the lowest categories. The Indians are slightly better off and the Chinese spread of income more widely.

In the absence of government action it may be expected that existing value-added differentials per worker will be aggravated among the Malays on the one hand and other Malaysians on the other hand. Such a situation will not be tolerable in a multiracial society", the plan argues.

The answer to this predicament is to alter the racial, occupational and sectoral balance so that income imbalance will inevitably be improved and Malaysians "together will assume majority control of the financial assets of the country."

An average planned 3.2 per cent growth in employment, together with a 2.9 per cent growth in labour force, should lead to each community having a 3.4 per cent unemployment ratio as against the present 8 per cent for Malays, 7.4 per cent for Chinese and 11 per cent for Indians.

Malays will acquire 20 per cent of all new capital created during 1971-75, 26 per cent in 1981-85 and 39 per cent in 1986-90 so that they will own 9 per cent of all shares by 1975, 16 per cent by 1980, 23 per cent by 1985 and 30 per cent by 1990.

"There will be ample opportunities for foreign interests to increase by about 8 per cent a year during the 1970-90 period. The growth of foreign investment will come from investment in the industrial and commercial sectors but the growth of Malaysians' share of capital ownership will lead to a decline in the foreigners' share from the present 60 per cent to about 30 per cent by 1990."

But this "racial socialism" which looks good on paper poses acute problems for the economic managers. For instance the public sector, which accounted for 33 per cent of GDP in 1973, cannot afford to cut its expenditure to damp inflation as it is this sector which provides the impetus for restructuring society. Unchecked inflation makes the rich richer and the poor poorer.

On the other hand, centralized political decisions often conflict with decentralized market forces and lead to profiteering and hoarding. Inefficiency in enforcing certain policies and regulations are not insignificant problems. How can the business community be persuaded to invest in the productive rather than the speculative sectors and, at the same time, not to aim at accumulating its capital in less than three years?

These and other problems have understandably not been discussed seriously and publicly in election year. Now that the elections are over, however, a real public review of the first three years of the Second Malaysia Plan could perhaps be made, so that the lessons can be applied in carrying out the "Perspective Plan".

Growth rates of more than 7 per cent in a cyclical and multiracial economy during times of international uncertainty require astute decisions. A full-time finance minister to make them would certainly help.

## Partners in growth



IN Malaysia's growing economy, palm oil, rubber, and cocoa are vital ingredients, and Harrison's & Crosfield help to provide the technology which fertilizes this economic growth. Hand-in-hand with government research workers they have bred new strains of tree, developed new cultivation techniques, devised techniques for producing rubber and palm oil to exacting new specifications.

Harrison's & Crosfield are also involved in the country's timber industry, and, with Malaysian partners in engine-assembly, in the manufacture of asbestos roofing and the formulation of chemicals for industry and agriculture, and in textiles. They are one of Malaysia's foremost earners of foreign currency. And they are first-hand witnesses of the country's immense effort to build its own prosperity—because they are part of it.

**Harrison's & Crosfield Ltd**  
1-4 Great Tower Street, London EC3R 5AB

Also in Penang, Ipoh, Teluk Anson, Kuala Lumpur, Sereruban, Kelang, Malacca, Kuching, Sibul, Miri, Kota Kinabalu, Tawau, Labuan, Kudat and Sandakan.



MISC, the Malaysian shipping line, is providing efficient and reliable shipping facilities to and from East and West Malaysia, Hong Kong, Japan, Bangkok, and U.K./Europe. It's a modern line, with modern ships, and all the know-how necessary to assist you in every phase of import and export business. Our agents in Europe and Asia will even help you to establish contacts. In every way, MISC serves you best.

**MISC**  
Malaysian International Shipping Corporation Berhad

Head Office: Malaysian International Shipping Corporation Berhad, 14th & 15th Floors, Fitzpatrick's Building 86, Jalan Raja Chulan, P.O. Box 371, Kuala Lumpur 05 10, Malaysia. Tel: 201244. Cable: MALAYSHIP S.S.L. Telex: RALINE 664 30228 & 30428

Europe Office: M.I.S.C. (Europe Office) BV, Parkaan 34, Rotterdam 3002, Netherlands. Tel: 360022 Cable: "MALAYSHIP ROTTERDAM" Telex: RALINE 24528.

حکومت مالایا



# Collapse of guerrilla movement opens way to prosperity in Sarawak

Hugh Mabbett

Twelve months ago Kuching, capital of Sarawak, saw a sight which few people here would have believed possible a month or even a night before. It was a procession through the city headed by Datuk Rahman Ya'kub, the state's Minister, to celebrate the formal collapse of a pariah and worrying communist insurrection.

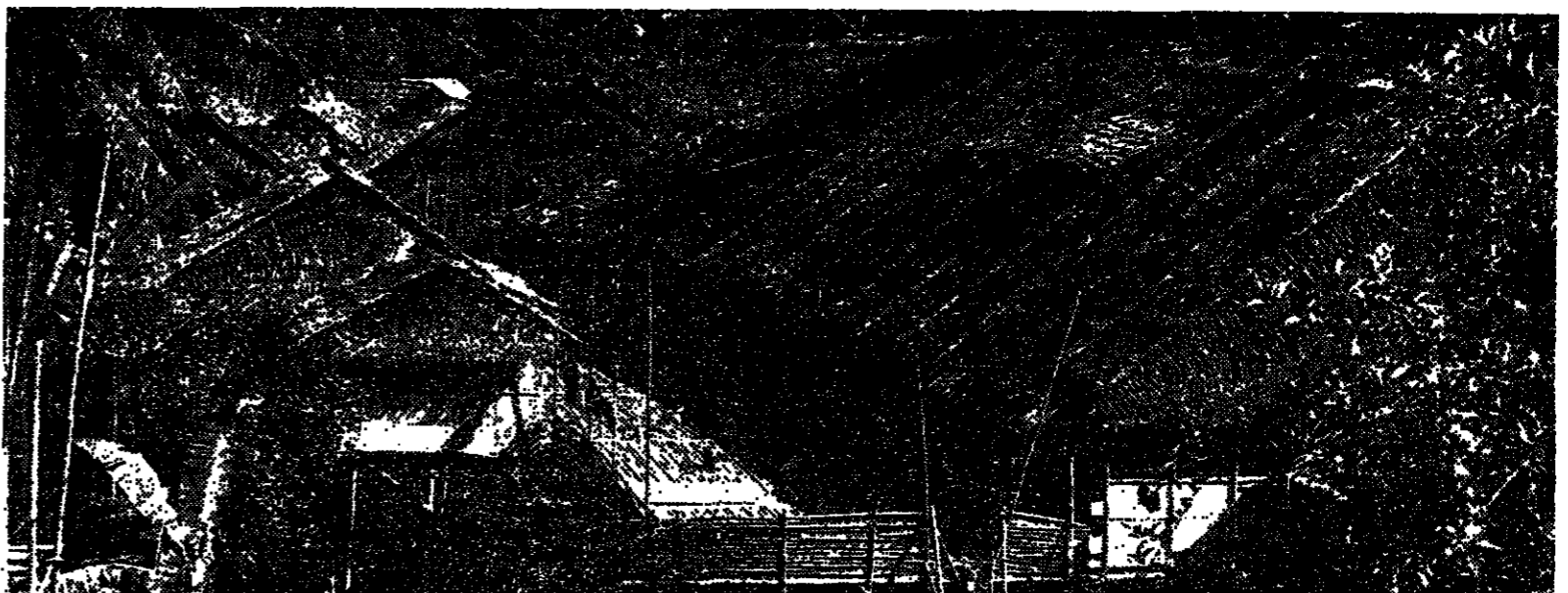
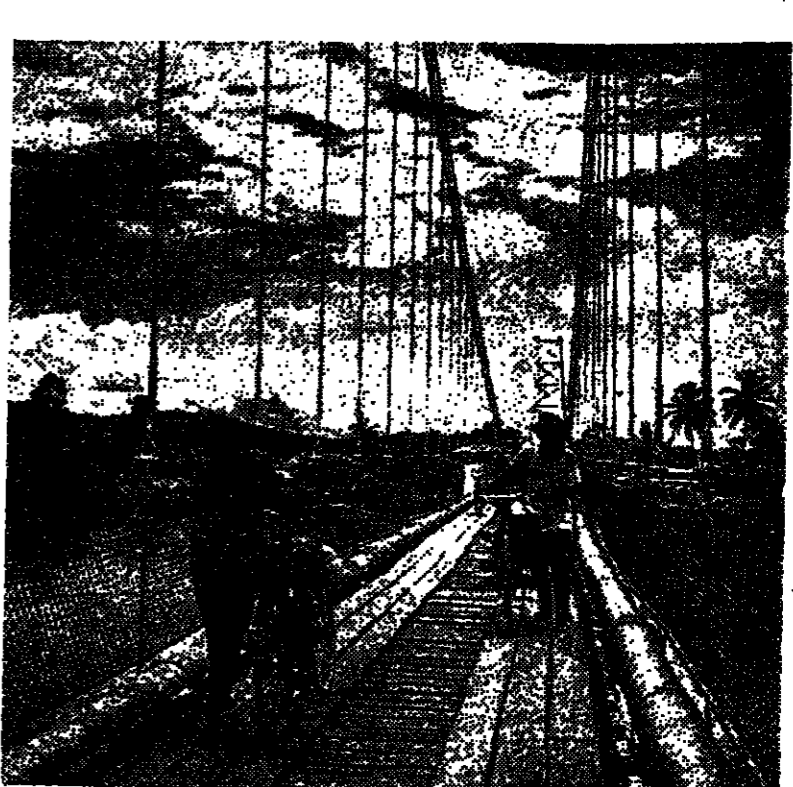
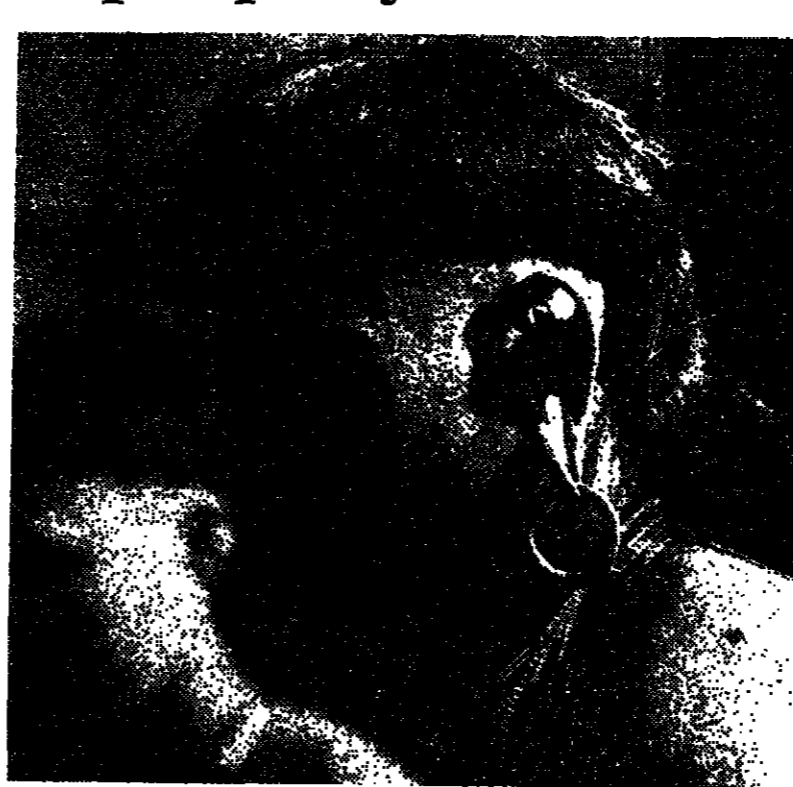
The procession came after negotiations and then an agreement that 451 families had agreed to join society; attractive had been made to the value of 200 or so to come to the jungle as well. People of Sarawak were told, with all the resources available to an administration with a lot of success in this sort of thing, that the 10-year war with the curfews, food rationing and other constraints was over. Posters announced the arrival of peace and prosperity.

The remarkable still, in the eyes of the people who fought the communists to continue for ever, was proved an extravaganza. Malaysia's largest, almost as big as the whole of Malaysia, and its backward, burdened, unhelpful geography, communications, a colonial history and distrust, seemed set for more rapid movements.

Nothing has happened to change this impression. On the contrary, statistics, such as a 14 per cent growth rate in 1973, an average 10 per cent for the past 10 years, 11 per cent.

The movement forward is accompanied by backward glances, because Sarawak is more tied to the past than any other Malaysian state. It is politically and economically significant that the Malaysian government has to list the people of Sarawak, still referred to officially as natives, as "Bukitans, Bidayans, Sea Dyaks, Igaks, Kadayans, Kayans, Kenyahs (in Sabah) and Sijangs (including Kajamans, Lanjungs, Tajiungs, Kanowits), Lugats, Malays, Melanos, Penans, Sians, Tabans and Ukiats".

Chinese run the vast majority of the failing communist movement but the state and river towns most of them live are important to Sarawak's internal affairs than most of its countless and the fishermen of the state. Bringing these people into the Malay-Indonesian road programme makes education, a lot of discussion, a lot of the rural air services, river boats, and a population movement.



The traditional face of Sarawak, more tied to the past than any other Malaysian state: a longhouse girl dressed for a festival; top centre: Punans, the fair-skinned nomads of the north-east; top right: pipes carry water over a footbridge; right: a longhouse near Kuching which has a room for each family and is added to as the community grows.

All these are under way, and should be more effective now that the distraction and expense of a running war has been largely removed. Children born in the longhouses and fishing villages this year will grow up as part of a rapidly changing world—with all the problems this entails.

Consider the longboats that, historically, have been the only means of travel in Sarawak's interior. Though hundreds still serve vast reaches some are already being laid up, supplanted by road transport as an impressive road programme makes its mark.

The most important of the new roads links the state's two biggest towns, Kuching and Sibuan. Last year another was completed from Miri in the north, where

Shell has its offshore oilfields, to Bintulu, and the gap between Miri and Bintulu should soon be filled. The most important project then will be a road round Brunei to Sabah which, with other new roads already being built in Sabah, will facilitate traffic from the far south-west of Sarawak to the easternmost points of Sabah.

But roads to link all, or even most, of the communities of Sarawak are decades away, so the state Government has decided, since it can hardly take services to people up every stream and along every footpath, that the people must be induced to come to the services.

They will be encouraged to forsake their traditional, often subsistence, economies based on shifting agriculture and fishing, for cash crop farming, for jobs in forestry or timber mills, or for work in the growing towns. This migration is already in progress, though sometimes diffidently, because at rice planting or harvest time the urge to return home becomes almost compulsive. They possess almost of a religious element; employers have to accept this.

Forestry and farming offer the best prospects. A timber racket of scandalous proportions five years ago has given way, after a politically courageous and economically expensive restriction on new concession areas, to a forest policy which a United Nations report has praised as the most far-sighted in South-east Asia.

Already Sarawak has Malaysia's biggest rubber processing industry, producing veneers, plywood, mouldings, wood chips, laminated flooring, furniture parts and thousands of tons of broomsticks (which go mostly to America).

approached, after some past fiascos. In the meantime the state land development board has planted about 40,000 acres of oil palm. As families move to such schemes pressure on land in their home districts should diminish and reforms may become possible, perhaps leading even to a new land code.

The present code severely restricts the alienation of occupied or claimed land, especially to non-natives (that is, the Chinese). The mid-1960s saw an attempt to bring in a more flexible system but native leaders saw its dangers and put up such strenuous opposition that the attempt failed.

Datuk Rahman Ya'kub said later that "while we must be fair to the non-natives we must protect the natives against unscrupulous elements. If the natives could sell their land, before long even their longhouses would be bought out."

Partly because of this difficulty in getting much land about 100,000 people, mainly Chinese, grow pepper, an extraordinarily labour intensive crop. The average pepper "garden" covers only three-fifths of an acre and a two-acre farm would need outside labour. Malaysia is the world's largest pepper exporter.

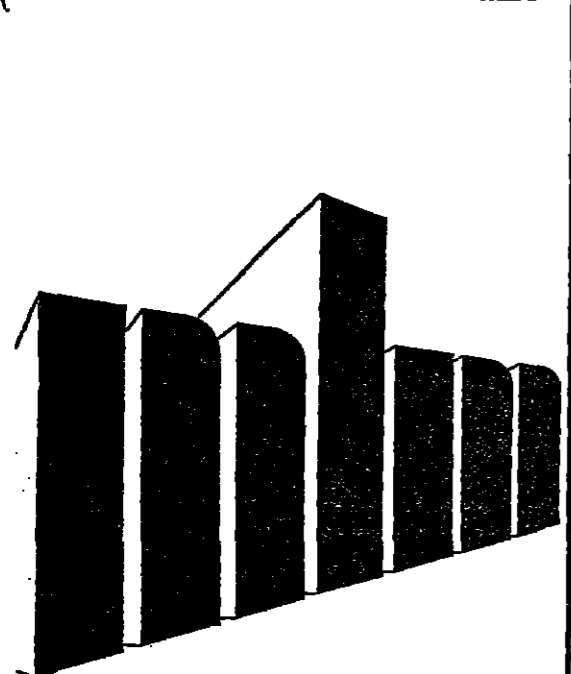
But the most significant industry, more important even than forestry or farming or the new factories—including the state's first electronic assembly plants—which dot industrial estates outside Kuching, Sibuan, Bintulu and Miri, is oil.

Sarawak has been a minor oil producer since 1910, but in 1958 saw a move to bigger things when Shell found oil offshore just south of the Brunei border. Production is now about 100,000 barrels a day. Possibly more valuable still, a big natural gas field was found about 50 miles off central Sarawak. One of the world's biggest gas liquefaction plants is to be built at Bintulu, which, with its new roads and with forest and land schemes all around, is Sarawak's most rapidly growing town.

The Sarawak Government seems confident that it will derive much revenue from the gas field, though it lies in federal not state waters. Negotiations with Kuala Lumpur are going ahead.

All this is going on in a state inhabited by peoples who often see themselves to be recently arrived, still not entirely settled. The Ibans, or Sea Dyaks, the largest single group, about one-third of Sarawak's one million people, came from Indonesian Borneo about 400 years ago. The Bidayuh, or Land Dyaks, are also from Indonesian Borneo, and so are the Kayans and Kenyahs, the Kelabit and Muruts. The Malays and Melanos probably came from Sumatra, and the Chinese have a history in the state going back as long as that of the Ibans, though most came within the past 100 years.

For these historical reasons as well as for the opportunities now opening, Sarawak is the most fascinating of Malaysian states, and its admirers generally take heart from the direction it is taking. Certainly it will not remain a gigantic backwater.



are the largest organisation distributing forest products and allied materials in the United Kingdom.

have an extensive builders' merchants and retailing section in this country and in Australia.

are also manufacturers of doors, joinery and related products.

obtain our supplies from many overseas countries including Malaysia.

were pioneers in the post-war timber trade from that area.

look forward to continuing expansion of our interests in Malaysia.

address in Malaysia is M. J. M. Sendirian Berhad, 23, Jalan Doraisamy, Kuala Lumpur.



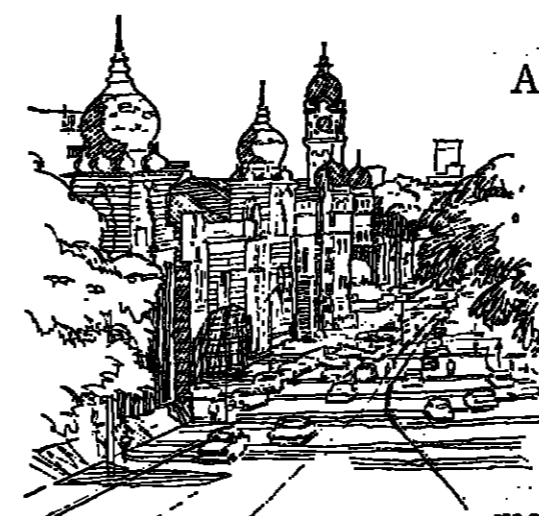
Montague L Meyer Limited  
100, Strand, London WC2N 5JG

## We're here,

In London the Chartered Bank's worldwide operations are controlled from our Head Office at 10 Clements Lane. We also have branches in the City and West End, and Manchester.



## there



Government Buildings, Kuala Lumpur.

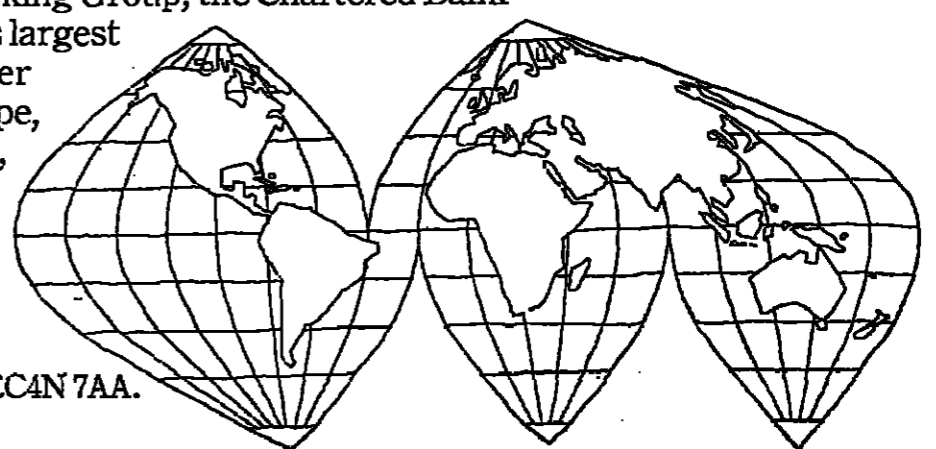
The Chartered Bank has been in South East Asia for well over 100 years. And our knowledge of the people, their needs and customs is as intimate and detailed as our knowledge of the area's economy, commerce and industry. With 36 branches throughout East and West Malaysia, we are a living part of the country's business community.

Before your visit to Malaysia, contact us at any of our branches, or offices of the Group in Birmingham, Leeds, Glasgow or Bristol.

When you are there, take full advantage of our expertise and the extensive range of services offered which include medium-term loans, financing for consumer and other goods, Euro and Asian currency transactions, merchant banking services and trustee business.

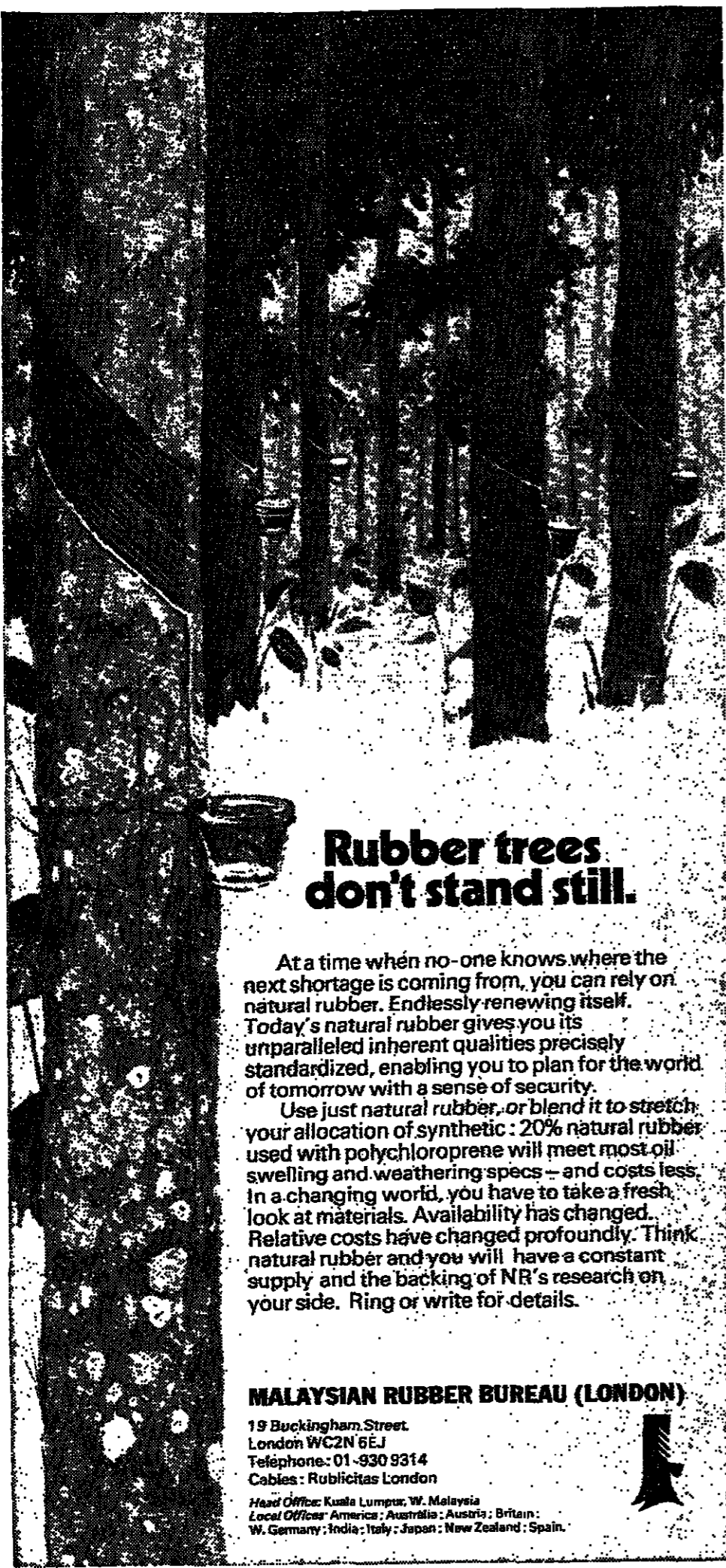
## and everywhere.

Throughout the world, through our membership of the Standard and Chartered Banking Group, the Chartered Bank forms part of one of the world's largest banking institutions, with over 1500 offices and branches in Europe, Africa, the Middle & Far East, Asia, Australia and the U.S.A.



The Chartered Bank  
Malaysia: 2 Jalan Ampang, Kuala Lumpur, Selangor.  
Head Office: 10 Clements Lane, London EC4N 7AA.  
Telephone: 01-623 7500

A member of  
**Standard and Chartered**  
BANKING GROUP LIMITED



**Rubber trees don't stand still.**

At a time when no-one knows where the next shortage is coming from, you can rely on natural rubber. Endlessly renewing itself. Today's natural rubber gives you its unparalleled inherent qualities precisely standardized, enabling you to plan for the world of tomorrow with a sense of security.

Use just natural rubber, or blend it to stretch your allocation of synthetic: 20% natural rubber used with polychloroprene will meet most oil swelling and weathering specs - and costs less. In a changing world, you have to take a fresh look at materials. Availability has changed. Relative costs have changed profoundly. Think natural rubber and you will have a constant supply and the backing of NR's research on your side. Ring or write for details.

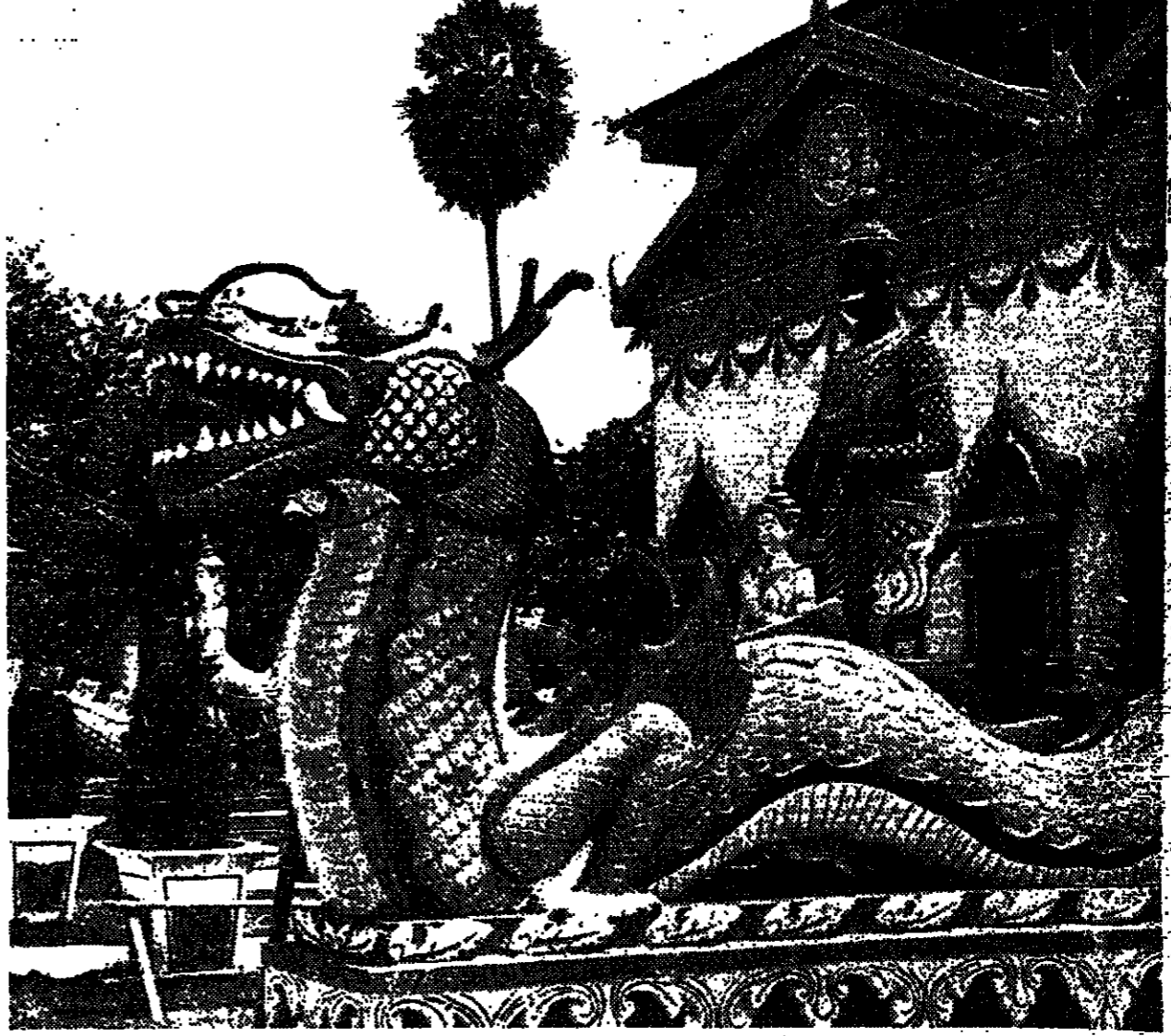
**MALAYSIAN RUBBER BUREAU (LONDON)**

19 Buckingham Street, London WC2N 6EJ  
Telephone: 01-930 9314  
Cables: Rubichitas London

Head Office: Kuala Lumpur, W. Malaysia  
Local Offices: America: Australia: Austria: Britain: W. Germany: India: Italy: Japan: New Zealand: Spain.



A chairlift which runs through jungle and over a hill in Kuala Lumpur.



Right: the Chayamangkalaram temple in Penang.

**Reassurance that tourist is not courted only for his money**

by Hugh Mabbett

A statistical convention which lists sightseers and travelling businessmen together as "visitor arrivals" makes description of the size of a tourist industry difficult. A good share of Malaysia's visitors today are certainly salesmen and promoters looking for handbills of Malaysian money—though it is the money they spend that makes them worth courting.

Nevertheless, enough other people arrive who can fairly be called tourists to keep an almost new industry growing briskly. Indications are that this year will see more than a million of these "visitor arrivals" (against 869,000 last year) and even if only half of them are authentic holidaymakers the industry will be both pleased and hard put to keep up.

Some effects are fascinating. Not so long ago strikers at a Penang hotel put up, in the midst of notices in Malaysian, English and Chinese, another one in elaborate German to tell visitors why they could expect no service.

Australians are back in numbers exceeding their soldiers in the peninsula during the last war. Busloads of Japanese stop for meals in the vaulted Victorian splendour of the Ipoh railway station dining room, which a few of them may remember as a Japanese officers' mess.

Being a tourist guide has suddenly become a respectable occupation—even for girls from the most respectable families. One such girl tells engagingly how she finds her Australians fun to show around, how she teaches them Malay songs to while away the long bus journeys, and how after three or four days together she and they cry fondly at parting.

Except for the recent trouble over low-living hippies who were thought to set a poor example for young Malaysians, the tourist today is resented neither for himself nor for the institutions which grow up around him. Penang for instance will probably be able to go ahead

with converting its northern beaches (appropriately Batu Ferringhi—landing place of the Franks or Europeans) into a full-scale resort area. The critics are disorganized, and so is their case, and the old-fashioned people of Penang are also old-fashioned in their attitudes to money.

By the time they awake to the impact swarms of visitors are making on their introspective culture it will be doomed anyway by another force: there is to be a bridge to the mainland, and Penang's island charm will be battered to death by the traffic.

Before then, however, Malaysia's tourist centre will have moved from mainly Chinese Penang to the almost entirely Malay East Coast, the states of Pahang, Trengganu and Kelantan bordering the South China Sea. Preserved by distance from the larger towns, here are superb beaches, perfect tropical islands and a fascinating and friendly culture. Club Méditerranée, the French travel organization, is set up one of its luxurious holiday camps here, and other projects will be dotted along the long coastline.

And when, if ever, the East Coast should become as jaded as any other tourist resort there will always be Sabah and Sarawak to take over, each with precisely the exotic diversions one would expect of an island as legendary as Borneo.

The highlands of Sarawak and the islands of Sabah (not to mention the Kinabalu national park in Sabah, with the highest peak between the Himalayas and New Guinea) will be tourist destinations in a future world otherwise bland and bored.

In the meantime, though, what travellers find attractive about the parts of Malaysia they now see helps illuminate what any country should try to offer. Mainly (once you have provided the hotels, air-conditioned buses, the western-style restaurants and the guides) to not trying too hard.

Staged attempts to win over tourists, such as "cul-

tural" shows, the "beautification" of purely local resorts and the scores of shops selling local exotica, seem to have much less impact than the pleasant greenness of the Malaysian countryside and the relaxed homeliness of the people.

Most guides can tell stories of the unconsidered and the commonplace proving more fun than the formal attractions. The mountain road to the Genting casino is more fun than the casino itself; hawker food and fruit from roadside stalls are more interesting than the Malaysian dishes in plush new restaurants; disorderly, noisy and robust old markets are more colourful than the new shopping centres; city slums are preferred to orderly suburbs. Perhaps even the turtles laying eggs on the East Coast beaches will be less exciting when there is a new hotel right on the beach where visitors can eat and drink while waiting.

Diversity is also important, racial and cultural as well as geographical. Malaysia is precisely at the meeting point of three powerful cultures, Indian, Chinese and Indonesian, and has been strongly influenced by each as well.

At times a traveller will find Malaysia seems to be coming from one country, another — from Chiu streets through Indian countryside to Indian feisty. Both the Chinese and Indian elements of Malay life retain features that are disappearing in their lands.

Overall Malaysia is a fortunate country to visit, for its heat and humidity are of a bearable nature, and its language is not too difficult to understand. English is used, there is no need to be shocked by poverty, and its particular prohibitions are not too strict.

At the same time the industry, not yet stupor-stricken by mass transit, retains flexibility and ease to any visitor's impression: it is courted just to money, or as a bit more for a statistical mill.

**where shall we move next?!**



**of course we are already in Singapore and in Kuala Lumpur**

Singapore Branch: 4, Shenton Way, Shing Kwan House, Singapore 1  
G.P.O. Box 2647 - Tel. 917333 - Telex RS 21512 Comitbanca  
Kuala Lumpur Representative Office: 2, Jalan Ampang - Chartered Bank Bldg. 8th Floor  
Tel. (03) 24407 - Telex Comit MA 30213

**Banca Commerciale Italiana**

Other Branches and Representative Offices abroad:  
London, New York, Chicago, Los Angeles, Tokyo, Istanbul, Izmir, Ankara, Beirut, Cairo, Frankfurt a.M., Madrid, Mexico City, Moscow, Paris, São Paulo, Sydney  
Head Office: Milan

**Sabah adjusts well to federal status**

One of the problems of the colonial administrators will have to face eventually is the economic growth which has so often followed their departure. Sabah is a good example.

In company and colonial times it was as sluggish as the bawling Evelyn Waugh might have wished to write a satire about. Now, after 11 years in Malaysia, it is not so much a backwater as a boom frontier. Sabah might have many things wrong with it, but sluggish is not.

Consider some random indicators. Per capita income is about \$1,500 a year, against an all-Malaysia average of about \$1,150. In 1962 Sabah had 63,000 children in school; 10 years later it had 156,000. Infant mortality is down from 63 per 1,000 live births in 1960 to 31 per 1,000 in 1971, and the crude death rate is down from 8.3 to 5.4 per 1,000. In 10 years the number of electricity users has risen from 9,000 to more than 32,000. In 10 years the number of cars has jumped from fewer than 6,000 to nearly 30,000.

None of this is enough to make Sabah a modern state but it is changing fast. Nor is this change just a matter of economics. The state, which historically looked out to Singapore and Hongkong through the eyes of British colonial officers and Chinese businessmen, seems to have adjusted well to Kuala Lumpur, its distant federal capital, though a dozen years ago many Sabahans had not even heard of it.

It is probably better off in its new relationship. Even if the Philippines did not from time to time raise its vexatious claim to Sabah the state's 650,000 people surely would not relish independence or any other association. Their territory is half the size of peninsular Malaysia and a prize worth grabbing.

In Malaysia it has contrived both security and a large measure of control of its own affairs. Or rather, Tun Datu Mustapha bin Datu Harun, the Chief Minister, has managed this, making himself so valuable to Kuala Lumpur as a warden of the marches that it has to accept his eccentricities.

This is no place for a study of this remarkable man or of the system of patronage that he has created; but it would be a poor summary of the Sabah scene which did not record his monumental status in Sabah's past and

presumably future affairs. So formidable is he, indeed, that Malaysia is fortunate that Tun Mustapha is always careful in public to speak strongly in favour of the union.

In the long run, however, he may be better known for a more defensible institution, the Sabah Foundation. In colonial times Sabah's timber wealth was the preserve of British and American companies and Chinese businessmen.

In the early exuberant and disorganized days of Malaysia more ethnic Sabahans were involved, and a kind of gold rush got under way with all manner of people jostling for a share of the forest wealth. At the same time timber prices soared and Japanese money flowed in; Sabah became rich.

The Sabah Foundation is an attempt to bring order to this good fortune and make it more or less permanent. The state government took back 3,000 sq miles of forest earlier given as concessions to foreign timber companies which, as a result, is now Malaysia's wealthiest state.

Its huge area of forest is being logged at 30 sq miles a year, which means that the 3,000 sq miles will last 100 years, and which will give logged areas 100 years to regenerate. This should be money for ever.

From this flow of logs other developments ensue. Sabah is aggressively inducing big foreign timber processing firms to come in with joint ventures, and hopes to stop log exports within five years. It has persuaded North Borneo Timber, one of the companies earlier deprived, to join it in planting 150,000 acres of softwood forest. It has, with Japanese interests, its own fleet of seven log-carrying ships, with three more being built.

The foundation's educational wing is building a university near Kota Kinabalu, has more than 1,000 students of universities and schools in peninsular Malaysia, and another 3,000 on scholarships within Sabah. It is reclaiming 25 acres of land for commercial building on the Kota Kinabalu waterfront, and building office blocks and sports complexes throughout the state.

And, last but not least, it is giving away millions of dollars. The foundation also operates a trust fund, named after Tun Mustapha, which in June and July distributed

£2.8m at the rate of £10 each to all law-abiding Malaysian citizens over the age of 21 resident in Sabah. This was the third such distribution in four years.

This is in line with Tun Mustapha's promise, when he announced the foundation four years ago, that it would bring "a new system of distribution of wealth of a state that has never been done before in any democratic country anywhere in the world". The distributions are in Tun Mustapha's name, so their political value is enormous, and it is probably incidental that this year's came before the Malaysian general election, which Tun Mustapha's political machine would be sure to win anyway.

Sabah's combination of political stability and plenty of money means that the mechanics of development dominate local affairs. Turning the state from a log exporter on a huge scale to a timber manufacturer will be typical of this. So, too, is an ambitious road-building campaign.

Already, with Australian help, it is possible to drive from Kota Kinabalu to Sandakan, the commercial capital, and arguably the world's most important timber port on the east coast. New roads are being driven through the forest to link up other towns.

These physical links are seen to be important in solving Sabah's primary economic problem, a traditional slash-and-burn rice farming in the interior which contrasts poorly with the modern timber and plantation industries.

In broad terms, the western half of the state has the people, the areas of heaviest settlement, the smallest holdings, the shifting cultivation, the subsistence farming and fishing. The eastern half is where the money is, with the loggers and millers, more than 100,000 acres of new oil palm, and a rapidly growing cocoa industry. It is no accident that Sandakan is growing just as quickly as Kota Kinabalu, with land prices just as astonishing.

In theory it should be a simple matter to get people to move from comparative poverty to well-paid jobs. But it is not simple, and the state has found it easier to bring in outsiders. In the past 10 years more than 100,000 people have gone to Sabah to work, from peninsular Malaysia, Indonesia and the Philippines, and smaller numbers from Singapore, Hongkong and Taiwan.

In addition, thousands of Muslims from the Philippines

have come in over the two years, ostensibly away from fighting rebel government forces. created a problem in divided between Muslim non-Muslims—but at same time demonstrated strength of Sabah's ec for they have been at with ease.

A traveller in Sabah no evidence of the infl camps, no squatters, gars. In Kota Kinab deed it is hard enough a bicycle; everyone s travel by car.

Other elements in future include some ing tourist prospects, copper mine and th shore oil strikes. The boom is slow to start because the horz exorbitantly and ar ally packed with men. But when mor are built people will come, as Sabah has tracing peoples, superb beaches and exaction platform's park a splendid peak just challenging to make a walk a while.

The copper mi about 180 million low-grade ore prov the slopes of the main and should b duction next year. oil prospects are go for Esso to install world's biggest dri production platform's find. Shell plans a age base on Labu its discoveries, which will l this year, should reach 150,000 barr.

So the prospects. In fact, the only fin official report o economy could fin Japanese dominat ese businessmen f timber industry a crop, Japanese b the last word on price, and the na ships which take away read like p Japanese shippin Japan takes more of Sabah's exports second only to Malaysia as a sup

The only answe —and it could be one—is the kind nationalism repr the Sabah Founding

سكندرية للاعمال





THE TIMES BUSINESS NEWS

For Saving Investing and House-Purchase HALIFAX BUILDING SOCIETY

or Saving Investing and House-Purchase

ALIFAX BUILDING SOCIETY

Comptroller criticizes banks prospects for Italian loans

General of the Comptroller of the Currency has criticized the prospects for Italian loans...

Germans fix limit on currency dealings

In a double move designed to restore the public's confidence in the German banking system...

Vauxhall adds to motor gloom with £10m loss in first half-year after big drop in production

Vauxhall yesterday added to the already gloomy view being taken by the Stock Exchange of motor industry prospects...

But he is so worried about the effect yesterday's dismal figures will have on morale within his factories...

The statement added that Vauxhall was starting reviews of productivity and output...

Integration of NFC parcels side rejected

By Our Industrial Editor Complete integration of the National Freight Corporation's parcels business...

1st rallies as 12pc rate is held

The large build-up of capital needs that will be seen in the coming months...

Shares show late recovery

The trading account on London's equity market ended last night with a late recovery in share prices...

Sugar industry urges bigger EEC quota

Sugar producers in Britain want the Government to fight an EEC plan to restrict output here to present levels...

Brown Boveri may revise bid for Kent

Brown Boveri, the Swiss electrical group, may revise the terms of its bid for control of Kent...

Arabs may take £6.4m stake in Australian group

Clarence Oil and Minerals, an Australian company, is involved in talks which could result in an Arab group buying a 45 per cent equity stake...

De La Rue pays £6.1m for Crosfield Electronics

De La Rue, the security printing and plastics group, is to buy Crosfield Electronics...

Americans cutting output

American cutbacks are scheduled to be in force in the United States from September 1st...

Iran now backs oil price stability

New York, Aug. 30.—Iran, the chief proponent of higher world oil prices, has reversed its stand...

Mr Varley reaffirms policy to sanction only one refinery for Canvey Island

Mr Eric Varley, Secretary of State for Energy, yesterday reaffirmed the Government's policy of allowing only one new oil refinery to be built on Canvey Island...

Auditors doubt value of St Martins holding in Hay's

By John Plender Doubts about the value of St Martins Property Corporation's 34 per cent stake in Hay's Wharf have led St Martins' auditors to qualify their report...

Ministry asked to act on Hull docks 'blacking'

Blacking by Hull dockers of a £2m cargo-handling system was described yesterday by the Inland Waterways Association as 'irresponsible'...

Hamburg court order could close Reynolds smelter

A big new aluminium smelter built in Hamburg by the Reynolds aluminium company may be closed after a ruling by a local administrative court...

Shah 'seeking stake in VW'

Frankfurt, Aug. 30.—Shares of Volkswagenwerk AG rose in DM90 in trading before the opening of the Frankfurt stock exchange today...

How the markets moved

Table with columns: Rises, Falls, THE POUND, and other market indicators.

Nigerian insurance

A government decree to regulate insurance business in Nigeria will be promulgated tomorrow...

Egypt's Mobil deal

Egypt has signed an agreement worth over \$8m (about £3.4m) with the American Mobil Oil Co for prospecting rights in the north-west of the country...

Mersey deadlock

Talks on a new pay, hours and productivity deal for the 7,500 dockers on the Mersey ended in deadlock after a two-hour meeting of the port modernisation committee on Thursday...



EDITED BY MARGARET STONE

FINANCIAL NEWS

Rothmans outline need for price rises as protection for profits

By Fred Wilson
A warning of reduced profits in the current year in spite of the prospect of further sales growth is made by Sir Derek Pritchard, the chairman of Rothmans International.

1972 merger of Carreras and certain interests of the Rupert group to work through.
The full results of the group for 1973-74 are for a nine-month period to March 31 where pre-tax profits showed an increase from £26.46m to £27.22m.

merger are now beginning to produce.
Learning to live with inflation, he says, may not be a new experience but recently it has been rather harder.

Wheelock profit off the boil

Coupled with sharply lower results for last term Wheelock Marden, the Far East trading house, plans an increase in authorized capital and a change in the pattern of dividends from three to two a year.

Earnings fall at Scottish and Universal Inv

By Our Financial Staff
A decline in earnings per share from 10.46p to 8.88p is the outcome for the year to March 31 at Scottish and Universal Investments, the diversified holding company headed by Sir Hugh Fraser.

Crosfields' chief goes on to Highgate board

The board of Highgate & Job has agreed to the appointment of Mr R. Taylor (managing director of Crosfields & Colthrop) to the board so that he can represent Crosfields 36 per cent interest in the equity.

Stewart Plastics race up to £1m

Spurred by wider margins, profits of Stewart Plastics had advanced 69 per cent in 1973-74; and the pace was almost maintained throughout the year to April 30 last.

figures "won't be anywhere near as bad as the shares would indicate".
Jones Stroud-Cash
Jones Stroud Holdings has acquired some 475,000 ordinary shares of J. & J. Cash Ltd.

ing by the interim results. In spite of the energy crisis—five day working was resumed about mid-February—interim taxable profits have soared from £82,000 to £211,000.
This is more than the £205,000 brought in over the whole of last year, and approaches the £224,000 record achieved in 1970.

Arco-Total deal goes through

With the news that the proposed sale of Arco Petroleum, Atlantic Richfield's UK subsidiary, to Total Oil Great Britain is not to be referred to the Monopolies Commission, the deal is going through.

Radley setback

Profits of Radley Fashions & Textiles receded in the year to February 28 though turnover increased. The pre-tax return fell from a peak £234,000 to £205,000 on turnover up from £17m to £17.2m.

Shakespeare soars

The forecast in Mr Joseph Shakespeare's last statement that the Joseph Shakespeare forging group was heading for "quite a successful year" seems to be an understatement judging by the interim results.

Thorn cautious

Sir Jules Thorn, head of Thorn Electrical Industries, is giving little away on the likely results of the current financial year. Sir Jules has already indicated in his annual report that the first quarter profit showed "some reduction".

Shakespeare soars

The forecast in Mr Joseph Shakespeare's last statement that the Joseph Shakespeare forging group was heading for "quite a successful year" seems to be an understatement judging by the interim results.

Bentima checked

The shorter week, cost inflation, and long-term fixed price contracts are blamed by Bentima Industries for a half-time setback in sales up from £1.85m to £2.2m, pre-tax profit fell back from £161,000 to £146,000, including Walter S. Straus (with the corresponding period adjusted).

Wall Street

New York, Aug. 30.—At noon today, the Dow Jones Industrial Average was 10.32 points higher at 2,167.44, and the S&P 500 was 10.15 points higher at 178.15.

NY sugar at limit

New York, Aug. 29.—The world spot price for SOGAM was raised 1.60 cents to 17.10 cents, the spot Sept price on a market tone. The spot Sept price for SOGAM was raised 1.60 cents to 17.10 cents.

Commodity Prices

Table with columns for Commodity, Price, and Change. Includes items like Wheat, Soybeans, Corn, etc.

Fruehauf came out of first quarter without loss



Mr L. Allwood, chairman of Crane Fruehauf, says that the company has managed to come out of the first quarter without loss.

By David Mott
Mainly because it fared better than expected in the three-day week the Crane Fruehauf trailer and container group emerged from the six months to June 29 reasonably unscathed.

Crosfields' chief goes on to Highgate board

The board of Highgate & Job has agreed to the appointment of Mr R. Taylor (managing director of Crosfields & Colthrop) to the board so that he can represent Crosfields 36 per cent interest in the equity.

Wiggins Teape

Deal to buy half share in Belgian company from Mead Corp of United States for £20m (£4.2m), now completed, giving WT whole of Papeteries de Virginal.

REAL ESTATE CO OF SA

Interim dividend up from 12c to 14c. Taxable profit £334,000 for six months (£1.42m for nine months). Earnings a share, 16.50c (28.10c).

Mining

Thompson says in his chairman's statement, that the asset value had risen to 452c (283p) by August 16.

New Central Wit assets rise

Net assets at New Central Witwatersrand Areas increased marginally between June 30, 1973, and the corresponding date this year, by 8c to 361c a share.

Real Estate Corporation of South Africa Limited. Financial Results table showing Rental Income, Profit before taxation, etc. for 6 months to 30 June 1974 and 9 months to 30 September 1973.



Whisky shares

ent swings in stock prices during last week further hopes that are truly "bottoming the professionals inexpressible. Having fallen points and then risen in successive days, index ended the week with a net loss of only 4.5 p.

Who does the repairs?

is no richer source of information than the landlord and his over who is responsible for repairs. Traditionally, it was never liable for although in recent years it has tried to shift the burden to the tenant.

Ronald Irving

FINANCIAL NEWS AND MARKET REPORTS

Stock markets

Banking sector again unsettled

The last day of the trading account saw further nervousness in the equity market. Share prices gave ground for most of the day, with the banking sector upset once again by rumours of 'trouble' in the German banking community.

Bank Base Rates

Table listing bank base rates for various banks including Barclays Bank, FNCB, and others, with columns for bank name and rate percentage.

been as low as 213.5 earlier. The Times index, at 85.08 shed 0.40. The day's recorded gains totalled only 4,874, and amplified figures for the previous day showed a money total of £31.4m.

The gilt edged market remained flat both before and after the announcement of an unchanged Bank of England minimum lending rate.

The final recovery in leading share prices, which reduced falls in ICI (172p) Courtaulds (48p) and Becham Group (171p) to a penny or so, was also helped by the opening burst of strength on Wall Street.

were to be limited brought little response in London. Barclays closed 8p off at 165p. Among the secondary banks, Keyser Ullmann fell a further 3p to a new low of 70p.

Oil shares steadied after confirmation that a large block sale of BP shares had gone through the market without difficulty.

Tobacco shares looked unsettled after calls for higher prices from the Rothmans Int boardroom. At 171p, Rothmans slipped by 1 1/2p.

Engineering shares closed with minor losses, but without attracting much business. GKN (133p), Tube Investments (192p) and Swan Hunter (69p) were a shade easier.

Shares in both Wms Hudson and in its associate Venesta were marked down on the disclosure of substantial financial write-offs.

Commodities

COPPER—Cash wire bars fell by 2.55 to 233.50. Cash cathodes were 231.00. Copper was oversold and rose to 233.50. Tin was 2,700.00. Lead was 2,700.00. Zinc was 2,700.00. Silver was 2,700.00. Gold was 2,700.00.

WHEAT—The Baltic number two soft wheat was 225.00. The Baltic number one soft wheat was 225.00. The Baltic number three soft wheat was 225.00. The Baltic number four soft wheat was 225.00.

PLATINUM closed 750 lower yesterday at 1,100.00. RHEINMETALL closed 100 lower yesterday at 1,100.00. IRIDIUM closed 100 lower yesterday at 1,100.00.

Spot Position of Sterling

Table showing spot position of sterling with columns for currency, bid, offer, and other market data.

Forward Levels: 1 month 12 1/2%, 3 months 13 1/2%, 6 months 14 1/2%, 9 months 15 1/2%, 12 months 16 1/2%.

Recent Issues: New York 200,000,000, London 100,000,000, Paris 50,000,000, Frankfurt 25,000,000, Rome 10,000,000, Athens 5,000,000, Madrid 5,000,000, Lisbon 5,000,000, Algiers 5,000,000, Tunis 5,000,000, Cairo 5,000,000, Beirut 5,000,000, Damascus 5,000,000, Baghdad 5,000,000, Ankara 5,000,000, Athens 5,000,000, Madrid 5,000,000, Lisbon 5,000,000, Algiers 5,000,000, Tunis 5,000,000, Cairo 5,000,000, Beirut 5,000,000, Damascus 5,000,000, Baghdad 5,000,000, Ankara 5,000,000.

The Times Share Indices

Table showing share indices for various markets including London, New York, and other international markets.

Money Market Rates: Bank of England Minimum Lending Rate 11%, Treasury Bills 12%, Commercial Paper 13%, etc.

Eurobond prices (midday indicators)

Large table listing Eurobond prices for various countries and maturities, including columns for country, maturity, and price.

Latest dividends

Table listing latest dividends for various companies, including company name, dividend amount, and other details.

Foreign Exchange

The dollar and sterling remained steady in very quiet trading yesterday. The pound closed where it opened again against the dollar at \$2.165, having reached \$2.195 in the middle of the day when dollars were offered.

Discount market

In the discount market yesterday, as on previous days this week, a surplus was being held, money seemed to be going up somewhere in the banking system and the Bank of England help to houses which could not find the funds they needed.

Issues & Loans

Statistics compiled by the Midland Bank show that the amount of 'new money' raised in the United Kingdom by the issue of marketable securities in August was £68.2m compared with £14.4m in the same month last year.

Capital Commitments

The aggregate amount of capital commitments authorised by the directors amount to £110,000,000 (1973-74) of which £1,624,000 (1973-74) had been contracted for as at 30th June, 1974.

Financial Year End

The company's year end has been changed from 31st December to 28th February. The reason for the change is that the Christmas/New Year period is normally the company's busiest trading period and to enable the company to issue its annual financial statement within the period prescribed by the new Companies Act.

THE IMPERIAL COLD STORAGE AND SUPPLY COMPANY LTD

The unaudited trading results of the group for the six months ended 30th June, 1974 were as follows: Group profit before tax R2,973,000, Tax R1,122,000, Group profit after tax R1,851,000.

Interim Statement

The pound's post-Smithsonian devaluation against the weighting average of other leading currencies remained at 17.9 per cent at the close, virtually unchanged from the week. Commodity gold closed at \$136 per ounce, a gain of \$1.50 on Thursday's closing price.

Authorized Units, Insurance & Offshore Funds

Large table listing authorized units, insurance, and offshore funds with columns for unit name, price, and other details.

Dividends

An interim dividend of 3 (three) cents per share has been declared on the company's ordinary shares. Pretoria: J. D. Wentzel Chairman, 28th August, 1974. W. H. Neate Managing Director.

Briefly

ALLIANCE TRUST: Interim dividend is 2.5p (2.25p). Estimated earnings a share for year to January 1975, 5.73p (5.25p). Net asset value at July 31, 1974, (1973) on Jan 31, 1974.

DECLARATION OF INTERIM DIVIDEND NO. 79 ON ORDINARY SHARES

Notice is hereby given that an interim dividend of 3 (three) cents per share (1973-74) has been declared on the company's ordinary shares, payable to shareholders registered at the close of business on 15th November, 1974.

ARNOTT & CO DUBLIN

Sales for half year £7.6m (£6.09m). Taxable profit £33.0m (£31.00m), and dividend held at 1p.

METROPOLE INDUSTRIES

Thomas Poole & Gladstone China has purchased further 15,000 group shares bringing holding up to 29.53 per cent.

W COAST ASSOC TANNERIES: Turnover for 1973-74 (£1.58m). Taxable loss £53,000 (profit £32,000).



Ansafone
19 Upper Brook Street, London W1Y 2HS.
Let Ansafone answer your phone
RING ANYTIME 01-629 9232

London and Regional Market Prices

Subdued end to account

ACCOUNT DAYS: Dealings Begin, Monday. Dealings End, Sept 13. Contango Day, Sept 16. Settlement Day, Sept 24.
Forward bargains are permitted on two previous days.



Main table containing market prices for various commodities including gold, silver, oil, and various stocks. The table is organized into columns with headers for 'High', 'Low', 'Company', 'Price', 'Change', 'Div', and 'Yield'. It includes sections for 'COMMODIAL AND INDUSTRIAL', 'INVESTMENT TRUSTS', 'OIL', 'PROPERTY', 'RUBBER', 'TEA', 'MISCELLANEOUS', 'REGIONALS', 'FINANCIAL TRUSTS', 'SHIPPING', and 'MINES'. The table is densely packed with data points and is partially obscured by a large vertical watermark reading 'LONDON'.





